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LEGISLATIVE HISTORY

Public Law 85-183
S. 1799

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INDEX AND SUMMARY OF S. 1799

April 4, 1957	Sen. McClellan introduced and discussed S. 1799. Print of bill as introduced and remarks of Sen. McClellan.
May 29, 1957	Senate Government Operations Committee ordered S. 1799 reported.
June 3, 1957	Senate committee reported S. 1799 without amendment. Senate Report No. 397. Print of bill and report.
June 6, 1957	Senate passed S. 1799 without amendment.
June 7, 1957	Senate referred S. 1799 to House Government Operations Committee. Print of bill as referred.
June 17, 1957	Rep. Dawson (Ill.) introduced H. R. 8195 which was referred to the House Government Operations Committee. Print of bill.
June 27, 1957	House committee ordered H. R. 8195 reported.
July 1, 1957	House committee reported H. R. 8195 with amendments. H. Report No. 666. Print of bill and report. House passed as reported, H. R. 8195.
July 2, 1957	House passed S. 1799 with amendment (insertion of the language of H. R. 8195).
Aug. 19, 1957	Senate concurred in House amendment.
Aug. 28, 1957	Approved: Public Law 85-183.

DIGEST OF PUBLIC LAW 85-183

PAYMENT OF GOVERNMENT CHECKS. Amends several provisions of law so as to make possible certain changes in the internal accounting methods and procedures followed by the Treasury Department in handling checks drawn on the Treasurer of the United States.

S. 1799

IN THE SENATE OF THE UNITED STATES

APRIL 4, 1957

Mr. McCLELLAN (by request) introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

To facilitate the payment of Government checks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 1 of the Act of July 11, 1947 (61 Stat. 308;
4 31 U. S. C. 132) is hereby amended to read as follows:
5 “That (a) all checks heretofore or hereafter drawn on
6 the Treasurer of the United States, including those drawn
7 by wholly owned and mixed-ownership Government cor-
8 porations, shall be payable without limitation of time: *Pro-*
9 *vided,* That where on presentation of any check for pay-
10 ment the Treasurer of the United States is on notice of a
11 doubtful question of law or fact the payment of such check

1 shall be deferred pending settlement by the General Ac-
2 counting Office.

3 “(b) The amount of all checks drawn by authorized
4 officers of the United States on designated depositaries which
5 have not been paid prior to the close of the fiscal year next
6 following the fiscal year in which the checks were issued
7 shall be withdrawn from the accounts with such depositaries
8 and deposited with the Treasurer of the United States for
9 credit to a consolidated account or accounts on the books
10 of the Treasury. Claims for the proceeds of such unpaid
11 checks shall be payable from such consolidated accounts by
12 checks drawn on the Treasurer of the United States pursuant
13 to settlement by the General Accounting Office.

14 “(c) The limitation imposed in respect to certain claims
15 or demands against the United States by the Act of October
16 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237) shall not
17 be deemed to apply to original or substitute checks hereto-
18 fore or hereafter drawn on the Treasurer of the United
19 States, including those drawn by wholly owned and mixed-
20 ownership Government corporations, or drawn by authorized
21 officers of the United States on designated depositaries.”

22 SEC. 2. Section 3 of the Act of July 11, 1947 (61 Stat.
23 309; 31 U. S. C. 134) is hereby amended to read as follows:

24 “SEC. 3. The Secretary of the Treasury is authorized
25 to transfer, at appropriate intervals, amounts of unpaid checks

1 from the accounts on which drawn to a consolidated account
2 or accounts on the books of the Treasury and to transfer to
3 such consolidated account or accounts the balance of the
4 special deposit account established pursuant to section 1 of
5 the Act of July 11, 1947 (61 Stat. 308), which consoli-
6 dated account or accounts shall be available for the payment
7 of such checks, and any unpaid checks heretofore payable
8 from the special deposit account. The Secretary of the
9 Treasury is further authorized to transfer, at appropriate
10 intervals, from the accounts available for the payment of un-
11 paid checks to the appropriate receipt account on the books
12 of the Treasury any amounts not required for the payment of
13 such checks and with the concurrence of the Comptroller
14 General to make such rules and regulations as he may deem
15 necessary or proper for the administration of the provisions
16 of this Act.”

17 SEC. 3. (a) Section 2 of the Act of June 22, 1926 (44
18 Stat. 761; 31 U. S. C. 122) is hereby amended to read as
19 follows:

20 “SEC. 2. Hereafter all claims on account of any check.
21 checks, warrant, or warrants appearing from the records of
22 the General Accounting Office or the Treasury Department
23 to have been paid, shall be barred if not presented to the
24 General Accounting Office or the Treasurer of the United
25 States within six years after the date of issuance of the

1 check, checks, warrant, or warrants involved. However,
2 any claims for the proceeds of checks payable in Philippine
3 pesos heretofore issued in payment of claims certified by the
4 Philippine War Damage Commission, shall not be barred if
5 received by the representative of the Chief Disbursing Officer,
6 United States Treasury Department, at Manila, Republic of
7 the Philippines, within six years after the date of issuance of
8 such checks.”

9 (b) Section 1 of the Act of March 6, 1946 (60 Stat.
10 31; 31 U. S. C. 129) is hereby amended by inserting im-
11 mediately after the words “General Accounting Office” the
12 words “or the Treasurer of the United States”.

13 SEC. 4. Subsection (a) of section 3646 of the Revised
14 Statutes of the United States, as amended (31 U. S. C.
15 528 (a)), is hereby amended to read as follows:

16 “(a) Except as provided in this section, whenever it
17 is clearly proved to the satisfaction of the Secretary of the
18 Treasury that any original check of the United States is
19 lost, stolen, or wholly or partly destroyed, or is so mutilated
20 or defaced as to impair its value to its owner or holder, the
21 Secretary of the Treasury is authorized to issue to the owner
22 or holder thereof against funds available for the payment of
23 the original check a substitute showing such information as

1 may be necessary to identify the original check, upon receipt
2 and approval by the Secretary of the Treasury of an under-
3 taking to indemnify the United States, in such form and
4 amount and with such surety, sureties or security, if any, as
5 the Secretary of the Treasury may require; but no such
6 substitute shall be payable if the original check shall first
7 have been paid: *Provided*, That nothing contained in this
8 section shall be deemed to relieve any certifying officer or
9 his sureties or any disbursing officer or his sureties of any
10 liability to the United States on account of any payment
11 resulting from the erroneous issuance of the original check.”

12 SEC. 5. (a) Subsection (c) of section 3646 of the
13 Revised Statutes of the United States, as amended (31
14 U. S. C. 528 (c)), is further amended by deleting the
15 phrase “prior to the expiration of ten years from the date
16 on which the original check was issued” and inserting in
17 lieu thereof “prior to the close of the fiscal year next fol-
18 lowing the fiscal year in which the check was issued”.

19 (b) Subsection (e) of section 3646 of the Revised
20 Statutes of the United States, as amended (31 U. S. C.
21 528 (e)), is further amended by deleting the phrase “prior
22 to the expiration of ten years from the date on which the
23 original check was issued.”

1 (c) Subsection (f) of section 3646 of the Revised
2 Statutes of the United States, as amended (61 Stat. 310;
3 31 U. S. C. 528 (f)), is further amended to read as
4 follows:

5 “(f) Substitutes issued under this section drawn on
6 the Treasurer of the United States shall be deemed to be
7 original checks and payable under the same conditions as
8 original checks.”

9 SEC. 6. Section 2 of the Act of July 11, 1947 (61
10 Stat. 309; 31 U. S. C. 133) and section 5 of the Act of
11 July 1, 1916, as amended (61 Stat. 309; 31 U. S. C.
12 154), are hereby repealed.

A BILL

To facilitate the payment of Government
checks, and for other purposes.

By Mr. McClellan

APRIL 4, 1957

Read twice and referred to the Committee on
Government Operations

all industry is to be helped, it must have more tariff protection from foreign competition.

When the Reciprocal Trade Agreements Act was being considered in committee, Senator Arthur V. Watkins argued unsuccessfully for an amendment transferring power of decision on "escape clause" requests for tariff increases from the White House to Congress. During debate on the bill Wednesday, Mr. WATKINS served notice that, unless affirmative and effective action is taken to protect vital American industries, he would join with other Members of Congress in a new attempt to write his proposed amendment into law.

The effect of Mr. WATKINS' warning on the administration remains to be seen. It is problematical whether, in view of the Senate's 75-13 vote, he would get sufficient support from his colleagues. We hope, however, that despite the long odds he and other westerners, both in Congress and out, continue the fight. For though freer world trade is a key part of the Eisenhower foreign policy, there are domestic considerations which must not be disregarded. If the lead-zinc industry is vital to the national security—as the administration agrees it is—then it needs to be revived. Stopgap remedies alone (stockpiling, for example) will not do the job, and this fact still needs to be driven home to the administration.

FACILITATION OF PAYMENT OF GOVERNMENT CHECKS

Mr. McCLELLAN. Mr. President, I introduce, for appropriate reference, a bill submitted to the Senate by the Acting Secretary of the Treasury with a request for its introduction and consideration.

The bill is intended to simplify and improve the accounting methods and procedures incident to the payment of Government checks, thereby making possible additional economy and efficiency in the Department of the Treasury.

I ask unanimous consent that the letter transmitted to the President of the Senate by the Acting Secretary of the Treasury and a statement outlining the purpose of the bill be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and statement will be printed in the RECORD.

The bill (S. 1799) to facilitate the payment of Government checks, and for other purposes, introduced by Mr. McCLELLAN (by request), was received, read twice by its title, and referred to the Committee on Government Operations.

The letter and statement presented by Mr. McCLELLAN are as follows:

TREASURY DEPARTMENT,
Washington, March 19, 1957.

The PRESIDENT, UNITED STATES SENATE:

SIR: There is transmitted herewith a draft of a proposed bill "To facilitate the payment of Government checks, and for other purposes."

Under present law, the amount of a check which remains unpaid for more than 1 fiscal year after the fiscal year in which issued is transferred from the symbol account of the disbursing officer who drew it to a special account of the Secretary of the Treasury. If the check is subsequently presented for payment, it is charged to the special account rather than the account on which originally drawn. Similar accounting procedures are necessary whenever a substitute check is is-

sued. Also, if a check is more than 10 years old, payment cannot be made on presentation, but the owner or holder has to submit a claim to the General Accounting Office and after settlement by that office a new payment is made.

Procedures for the payment of checks have been largely mechanized in recent years at substantial savings to the Government, but present legal requirements have posed a number of mechanical and bookkeeping difficulties, including that with respect to separating those checks received for payment which are over one full fiscal year old. Transfers at fixed time intervals of the amounts of individual checks from the accounts on which drawn to special accounts of the Secretary of the Treasury also result in a large amount of work.

Under the proposed legislation, all checks drawn on the Treasurer of the United States would be payable upon presentation without limitation of time. The need for transferring amounts of individual checks from one account to another would be largely eliminated, check payment operations would be greatly simplified, and claims settlement procedure would not be involved except where there was a doubtful question of law or fact. Substitute check procedures would be changed correspondingly so that substitutes could be issued without transfers from one account to another. A detailed explanation of the proposed legislation and a comparative statement of present and proposed law are enclosed.

It is respectfully requested that you lay the proposed bill before the Senate. A similar proposal has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

S. 1799

A bill to facilitate the payment of Government checks, and for other purposes

Be it enacted, etc., That section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132) is hereby amended to read as follows:

"(a) All checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositories which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositories and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by check drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237) shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositories."

SEC. 2. Section 3 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134) is hereby amended to read as follows:

"The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks, and all unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act."

SEC. 3. (a) Section 2 of the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122) is hereby amended to read as follows:

"Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within 6 years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within 6 years after the date of issuance of such checks.

(b) Section 1 of the act of March 6, 1946 (60 Stat. 31, 31 U. S. C. 129), is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States."

SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)), is hereby amended to read as follows:

"Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal

year next following the fiscal year in which the check was issued."

(b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks."

SEC. 6. Section 2 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 133), and section 5 of the act of July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154), are hereby repealed.

MEMORANDUM ON PROPOSED LEGISLATION TO FACILITATE THE PAYMENT OF GOVERNMENT CHECKS, AND FOR OTHER PURPOSES

The proposed legislation pertains to procedures in paying Government checks, the issue of substitutes of checks which are lost, stolen, or destroyed, and related accounting operations now prescribed by law.

1. Payment of checks: Under section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132), the amounts of all checks drawn on the Treasurer of the United States (except checks drawn on account of public debt obligations and transactions regarding the administration of bank and currency laws) which remain unpaid 1 full fiscal year after the fiscal year in which issued are transferred from the disbursing accounts on which they are drawn to a special deposit account of the Secretary of the Treasury. A check over 1 full fiscal year old but less than 10 years old is payable on presentation against the special deposit account of the Secretary. A check over 10 years old cannot be paid on presentation, but the amount thereof can only be received by the owner or holder after submission of a claim, settlement of the claim by the General Accounting Office, and issue of a new check.

Procedures for the payment of checks have been largely mechanized, with resultant savings to the Government. In most cases card checks are used with the disbursing officers' symbols prepunched. These checks for the most part can be put through the mechanized payment operation and accounting totals derived in a smooth operation. Special operations are necessary, however, to sort checks, the amounts of which have been transferred to the special account of the Secretary of the Treasury, in order to reflect charges for such checks against such account. Problems are also encountered in connection with checks which may be presented for payment through regular channels after they have become over 10 years old. While such cases are relatively few, their separation from the bulk of checks received for payment without incurring disproportionate expense presents difficulties.

Section 1 (a) of the proposed legislation would deal with these problems by providing that all checks heretofore or hereafter drawn on the Treasurer of the United States would be payable without limitation of time against the disbursing account symbols against which they were originally drawn. Besides eliminating the mechanical problems referred to above, this would also eliminate paperwork and accounting incident to transfers of the amounts of checks from the disbursing account symbols on which drawn to a special deposit account of the Secretary of the Treasury. The only cases which would have to be referred to the General Accounting Office for settlement would be those in connection with which there was a doubtful question of law or fact. This would reduce the burden of claims work required to be

handled in the General Accounting Office and enable owners of checks to receive payment thereon promptly regardless of their age, except where there was a reasonable basis to question payment of the check.

Checks drawn on account of public debt obligations and transactions regarding the administration of banking and currency laws are now payable without limitation of time. The proposed legislation would apply the same rule to all the other checks drawn on the Treasurer of the United States, which would provide the advantage of uniformity.

Sections 1 (b) and 1 (c) of the proposed legislation would reenact without substantial change provisions of existing law relating to checks drawn on designated depositaries, and the exemption of check claims from the general statute of limitations as to claims against the United States. The proposed legislation does not cover checks of wholly owned or mixed-ownership Government corporations drawn on accounts in depositary banks.

2. Consolidation of accounts: While in general, the work of transferring amounts of unpaid checks from one account to another is unproductive, there are some cases, such as where disbursing accounts become inactive, in connection with which it would be desirable to have authority to effect consolidation. Section 2 of the proposed legislation would provide authority for consolidation of such accounts, including the balance of the special deposit account of the Secretary of the Treasury presently maintained for payment of checks outstanding more than one full fiscal year old, which account would eventually become inactive. Section 2 would also continue authority of the Secretary of the Treasury to transfer to miscellaneous receipts amounts of outstanding check accounts deemed in excess of requirements for the payment of such checks, and with the concurrence of the Comptroller General of the United States, to make such rules and regulations as may be deemed necessary or proper for the administration of the act. Amounts determined to be in excess of requirements for the payment of unpaid checks would be transferred to appropriate receipt accounts at least annually.

3 (a). Claims on account of checks appearing to have been paid: Under the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122), a claim on account of a check appearing to have been paid is barred if not presented to the General Accounting Office within 6 years after the date the check was issued. The reference in this connection to the General Accounting Office was in recognition of the fact that formerly the General Accounting Office had custody of all paid checks and maintained the records with regard to paid checks. Under current procedure, however, the Office of the Treasurer of the United States maintains custody of paid checks, and related records. Accordingly, section 3 (a) of the bill would provide an amendment to present law under which a claim on account of a check appearing to have been paid would be barred if not presented to the General Accounting Office or the Office of the Treasurer of the United States, within 6 years after the date the check was issued.

In addition, section 3 (a) would provide an exception to the statute of limitations with respect to a limited number of check claims on hand which were actually received by the Treasury representative in the Philippine Islands within 6 years after the date of issuance of the checks, but were not received in Washington in time to be presented to the General Accounting Office within the period prescribed by law. There are only a few of these cases and since the proceeds of the checks have been recovered from the endorser, it seems only equitable that the claims of the payees should not be barred from consideration.

(b) Claims by the United States on account of checks: Under the act of March 6,

1946 (60 Stat. 31; 31 U. S. C. 129), there is a limitation of 6 years within which the United States may bring a court action to enforce the liability of an endorser, transferor, depositary, or financial agent arising out of a forged or unauthorized signature or endorsement upon or alteration of any check, unless written notice of the irregularity has been given prior to the expiration of the 6-year period. This limitation is extended by an additional 180 days in connection with any claim presented to the General Accounting Office within the 6-year time limitation prescribed by the act of June 22, 1926, referred to above in paragraph 3 (a).

Section 3 (b) of the proposed legislation would give the Government the benefit of the additional 180 days in a case where claim was presented to either the General Accounting Office or the Treasury of the United States, in recognition of the fact that under current procedure check claims ordinarily will be submitted to the Office of the Treasury of the United States rather than the General Accounting Office.

4. Substitute checks: Under section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (a)), before a substitute for a check which has been lost, stolen, destroyed or mutilated can be issued, the amount of the original check is required to be transferred from the disbursing officers' symbol account on which originally drawn to a special deposit account of the Secretary of the Treasury. The substitute is issued against the special deposit account. These transfers, which entail a large amount of paperwork and related accounting work, ordinarily serve no useful purpose under present streamlined accounting procedures.

Accordingly, section 4 of the proposed legislation would provide for the issue of substitute checks drawn against the same disbursing officer symbol account as the original check. It will not be necessary, except in certain unusual circumstances, to make transfers of the amounts of checks from the accounts on which they are originally drawn to a special account for substitute check.

Occasionally, however, a large number of Government checks, drawn under a number of different disbursing account symbols, belonging to a bank which has cashed them, are destroyed by fire or other disaster. In such cases present procedure under which a single substitute check may be drawn in favor of the claimant is of advantage. Under the proposed legislation, the procedure of issuing one substitute check to replace a number of original checks belonging to the same party would be continued by transferring the amounts of the original checks to a single account against which the substitute check would be drawn.

In line with the proposed amendment of the act of July 11, 1947, that would be made by section 1 (a) to the effect that all checks drawn on the Treasurer of the United States would be payable without limitation of time, the present limitation of 10 years on the issuance of substitute checks would be eliminated. The removal of this limitation would make it unnecessary to retain the second proviso of subsection (a) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (a)), which gives special authority to issue substitutes of checks issued on account of public debt obligations and transactions regarding the administration of banking and currency laws, without limitation of time. Since, under section 1 (a) of the proposed legislation, there would be general authority for the issuance of substitutes of checks of the United States without time limitation, special authority with respect to checks issued on account of public debt obligations and transactions regarding administration of banking and currency laws would no longer be necessary.

5. Technical amendments: Section 5 of the proposed legislation would provide certain

technical amendments to existing law for purposes of consistency, as outlined below:

(a) Substitutes of checks drawn on designated depositaries: Under subsection (c) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (c)), it is provided that a substitute of a check drawn on a designated depositary may be issued "prior to the expiration of 10 years from the date on which the original check was issued." Section 1 (b) of the act of July 11, 1947 (61 stat. 308; 31 U. S. C. 132 (b)) provides, however, that claims for the proceeds of checks drawn on depositaries which have remained unpaid for more than 1 full fiscal year shall be payable by check drawn on the Treasurer of the United States pursuant to settlement of the General Accounting Office. Section 5 (a) of the proposed legislation would amend subsection (c) of section 3646 of the Revised Statutes, as amended, to provide that substitutes for original checks drawn on depositaries may be issued "prior to the close of the fiscal year next following the fiscal year in which the check was issued." This time period would correspond with that referred to in the related provisions of the act of July 11, 1947.

(b) Substitutes of Post Office checks: Subsection (c) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (e)), authorizes the Postmaster General to issue a substitute for any original check of the Post Office Department "prior to the expiration of 10 years from the date on which the original check was issued." Section 5 (b) of the proposed legislation would delete the phrase quoted, to make provisions with respect to substitutes of Post Office checks consistent with section 1 (a) of the proposed legislation which provides that all checks drawn on the Treasurer of the United States shall be payable without limitation of time, and proposed section 4 relating to substitutes of United States checks other than these issued by the Post Office Department.

(c) Conditions of payment, substitute checks: Under subsection (f) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (f)), substitute checks, except those issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, are deemed to be original checks and payable under the same conditions as original checks; and checks issued on account of public-debt obligations and transactions regarding administration of banking and currency laws are payable without limitation of time. The distinction made in this provision of law between checks issued on account of public-debt obligations and banking and currency laws and other checks would no longer be necessary under the proposed legislation. Accordingly, section 5 (c) of the proposed legislation would amend subsection (f) of section 3646 of the Revised Statutes, as amended, to read: "substitutes issued under this section, drawn on the Treasurer of the United States, shall be deemed to be original checks and payable under the same conditions as original checks."

6. Repeals:

(a) Section 2 of the act of July 11, 1947: This provision of law (31 U. S. C. 133), authorized transfers of funds then available for payment of outstanding checks to the special deposit account of the Secretary of the Treasury established at that time for payment of such checks. Since all the transfers of funds have been made, section 6 of the proposed legislation provides for repeal of section 2 of the act of July 11, 1947.

(b) Section 5 of the act of July 1, 1916, as amended: Under section 5 of the act of July 1, 1916, as amended (31 U. S. C. 154), it is provided that the General Accounting Office shall report to the Secretary of the Treasury at the end of each fiscal year all checks which have been outstanding and unpaid for 1 full fiscal year, including in such reports

the date, number and amount of each check and the symbol on which it was drawn. Since in the future the Treasury Department will maintain the records relating to outstanding checks, these reports should no longer be required, and accordingly section 6 of the proposed legislation would repeal section 5 of the act of July 1, 1916, as amended.

TRANSFER OF ASSETS OF COLORADO RURAL REHABILITATION CORPORATION TO STATE OF COLORADO

Mr. ALLOTT. Mr. President, I introduce for appropriate reference a bill to provide for the transfer of the assets of the Colorado Rural Rehabilitation Corporation to the State of Colorado, now held in trust by the Secretary of Agriculture.

The assets would be transferred to the State for the use of the Commissioner of Agriculture in making loans to farmers and ranchers. This would be restricted to the purposes permitted by titles I or II of the Bankhead-Jones Farm Tenant Act or for such other purposes as the State shall determine to be necessary to meet the credit needs of bona fide farmers and ranchers.

The money would provide a useful supplemental source of credit for farmers and ranchers, particularly valuable in view of the losses caused by drought and recent extreme and adverse weather conditions in Colorado.

The Colorado Rehabilitation Corporation was established in 1934 to handle Federal grants given to the State of Colorado by the Federal Emergency Relief Agency.

In 1951 Congress directed that these trusts be liquidated and the assets returned to the State corporation but provided that agreements could be entered into whereby the Department of Agriculture would continue to administer the funds for the States.

Colorado elected to enter into such agreement under this program whereby the Farmers Home Administration continued to use the funds to make guaranteed loans as provided by law under the Bankhead-Jones Farm Tenant Act.

I feel that this proposed legislation is necessary to insure that the funds remain in the hands of State officials rather than under the control of the private Corporation, the board of directors and stockholders of which are neither Federal or State officials.

Originally the bylaws of the Corporation provided that a majority of the directors be employees of the Colorado Emergency Relief Agency which no longer exists. Over a period of years control of this Corporation has passed to private citizens.

This proposed legislation is designed to remove any doubt as to how the funds, which rightfully belong to the State of Colorado, are to be administered. It places the funds under the direct control of the State commissioner of agriculture.

The bill further would discharge the Secretary of Agriculture from all responsibility and liability for the administration of such assets.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1083) to provide for the transfer of the assets of the Colorado Rural Rehabilitation Corporation to the State of Colorado, introduced by Mr. ALLOTT, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed, notwithstanding any contrary provision in the Rural Rehabilitation Corporation Trust Liquidation Act (64 Stat. 98, 40 U. S. C. 440), or in any agreement executed pursuant thereto, to transfer to the State of Colorado all the cash and other assets of the Colorado Rural Rehabilitation Corporation now held by the Secretary for use by the Commissioner of Agriculture of the State of Colorado in making loans to farmers and ranchers for any of the purposes permitted by titles I or II of the Bankhead-Jones Farm Tenant Act or for such other purposes as the State shall determine to be necessary to meet the credit needs of bona fide farmers and ranchers who, because of drought or other disaster or for other unrelated causes, are unable to secure necessary agricultural credit on reasonable terms from private or cooperative sources. The Secretary of Agriculture shall thereafter be discharged of all responsibility and liability for the administration or use of such assets.

PROHIBITION OF DISCRIMINATION ON ACCOUNT OF SEX IN PAYMENT OF CERTAIN WAGES

Mr. MORSE. Mr. President, in this century great gains have been made in eliminating the many disabilities which handicapped women in the past.

Under the impact of changing attitudes and necessity, tens of thousands of women now work in the professions and in almost every category of employment in commerce and industry. Their accomplishments in wartime swept away almost every vestige of prejudice about their ability to fill many jobs from which they had previously been barred.

But this progress, notable as it has been, is far from complete. While women are recognized as valuable employees, in too many cases they do not receive pay equal to men's pay for the same jobs.

Therefore, on behalf of myself, the Senator from Montana [Mr. MURRAY], and the Senator from Michigan [Mr. McNAMARA], I introduce, for appropriate reference, a bill to eliminate this form of discrimination in commerce and operations affecting commerce. The bill prohibits wage discrimination on the basis of sex. Under it the Secretary of Labor would be empowered to have hearings held on alleged wage discrimination under the requirements and fair procedure protections of the Administrative Procedure Act. If on the basis of sworn testimony such discrimination is proved, the Secretary is empowered to issue a cease-and-desist order and direct the payment of the difference between the employee's pay and what she (or he) should have received if not discriminated against, plus an equal amount for liquidated damages.

The orders would be appealable to the Federal courts of appeal, thereby providing full protection against any abuse of the Secretary's authority.

The bill also provides that Government contracts shall include a provision against wage discrimination because of sex, and contractors who violate the law and contract provision, would be barred from Government contracts for 3 years from the date of a final determination of the violation.

In drafting this bill I have used the experience gained under the procedural provisions of the National Labor Relations Act and other administrative programs to provide a fair, expeditious, and balanced procedure which protects women against discrimination and at the same time affords full procedural protection to employers.

I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION BY SECTION ANALYSIS

Section 1. Title: "Women's Equal Pay for Equal Work Act of 1957."

Section 2. Declaration of purpose: to remove wage discrimination on the basis of sex which depresses wages and living standards, burdens commerce and constitutes an unfair method of competition.

Section 3. Definitions: "Person," "Commerce," "Affecting commerce," "Employer," "Employee" are defined as in the National Labor Relations Act and many other statutes. "Wages" are defined broadly to include not only pay rates but in addition other benefits associated with employment. This definition is an improvement over earlier versions.

Section 4. Prohibition of discrimination on basis of sex where job skill and competence are equal.

Section 5. (a) Empowers Secretary to investigate alleged violations and conduct hearings in conformity with Administrative Procedure Act; issue cease and desist and compensation orders, where discrimination found, and reinstatement and back pay orders where employee discharged for attempting to avail herself of the act.

(b) Grants same powers to Secretary for investigation and subpoena as contained in section 5 (a) of Federal Trade Commission Act.

(c) Provides for judicial review as under Federal Trade Commission Act.

Section 6. Wage restitution:

(a) Secretary to supervise repayments.

(b) Four-year statute of limitation.

Section 7. Secretary to have right to seek, and Federal courts grant, injunctions against violations.

Section 8. (a) Government contracts to contain equal pay for equal work provision.

(b) Bars Government contracts for 3 years to violators.

Section 9. Posting of notices by employers.

Section 10. Authorization.

Section 11. Effective date: 120 days after enactment.

Mr. MORSE. Mr. President, it should be noted for the record that Representative GRIFFITH has introduced a companion bill in the House of Representatives, H. R. 6584.

I ask unanimous consent that the bill lie on the table until Wednesday of next week to give other Senators an opportunity to join as cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Oregon.

The bill (S. 1807) to prohibit discrimination on account of sex in the payment of wages by employers engaged in commerce or in operations affecting commerce, and to provide procedure for the collection of wages lost by employees by reason of any such discrimination, introduced by Mr. MORSE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. MORSE. Mr. President, I also ask unanimous consent that the bill may be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Women's Equal Pay for Equal Work Act of 1957."

DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds that the existence in industries engaged in commerce or in operations affecting commerce of wage differentials based on sex—

(1) depresses wages and living standards of employees necessary for their health and efficiency;

(2) prevents the maximum utilization of the available labor resources;

(3) tends to cause labor disputes, thereby burdening, affecting, and obstructing commerce;

(4) burdens commerce and the free flow of goods in commerce; and

(5) constitutes an unfair method of competition.

DEFINITIONS

SEC. 3. When used in this act—

(a) "Person" means an individual, partnership, association, corporation, business trust, legal representatives, or any organized group of persons.

(b) "Commerce" means trade, commerce, transportation, transmission, or communication among the several States or between any State and any place outside thereof.

(c) "Affecting commerce" means in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led to or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce.

(d) "Employer" includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

(e) "Employee" includes any individual employed by an employer.

(f) "Wages" means all remuneration for services performed by an employee for an employer, including (1) board, lodging or other facilities customarily furnished by an employer to his employees, and (2) any other benefit customarily provided by an employer to, for, or on behalf of his employees as an incident of their employment.

PROHIBITION OF WAGE RATE DIFFERENTIAL BASED ON SEX

SEC. 4. No employer engaged in commerce or in operations affecting commerce shall discriminate between employees on the basis of sex by paying to any employee wages lower than those which he pays to employees of the opposite sex for work of comparable

character on jobs the performance of which requires comparable skills, except where such payment is made pursuant to a seniority or merit increase system which does not discriminate on the basis of sex.

ADMINISTRATION

SEC. 5. (a) The Secretary of Labor—

(1) shall prescribe such regulations as he deems necessary and appropriate for the administration of this act, including regulations to provide standards for determining work of a comparable character on jobs the performance of which require comparable skills;

(2) may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any industry subject to this act, and may enter and inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, and matters as he may deem necessary or appropriate to determine whether any person has violated any provision of this act, or which may aid in the enforcement of the provisions of this act;

(3) may enter and serve upon any employer found by the Secretary, after notice and hearing in conformity with sections 5, 6, 7, and 8 of the Administrative Procedure Act, to be engaged in or to have engaged in any violation of section 4 of this act an order requiring such employer (A) to cease and desist from such violation, and (B) to pay to each employee who has been adversely affected a sum equal to the aggregate amount or value of the wages of which such employee has been deprived by reason of such violation plus an additional equal amount as liquidated damages; and

(4) may enter and serve upon any employer found by the Secretary, after such notice and hearing, to have discharged or otherwise discriminated against any employee on account of any action taken by such employee to invoke, enforce, or assist in any manner in the enforcement of the provisions of section 4 of this act, an order requiring such employer to reinstate such employee, or to remove such discrimination, and to pay to such employee a sum equal to the aggregate amount or value of the wages of which such employee has been deprived by reason of such discharge or other discrimination plus an additional equal amount as liquidated damages.

(b) For the purpose of any investigation conducted under paragraph (2) of section 5 (a) of this act, the provisions of sections 9 and 10 of the Federal Trade Commission Act (relating to the attendance of witnesses and the production of books, papers and documents) (15 U. S. C. 49, 50) shall be applicable to the jurisdiction, powers, and duties of the Secretary of Labor.

(c) Any order entered by the Secretary of Labor pursuant to paragraph (3) or paragraph (4) of section 5 (a) of this act shall be subject to judicial review, and shall be enforced judicially, in the same manner and with the same effect as provided by section 5 of the Federal Trade Commission Act (15 U. S. C. 45) with respect to orders issued thereunder by the Federal Trade Commission, except that in any proceeding before any court for the review of any order issued under paragraph (3) or paragraph (4) of section 5 (a) of this act the findings of the Secretary as to the facts shall be conclusive if supported by substantial evidence.

WAGE RESTITUTION

SEC. 6. (a) The Secretary of Labor is authorized to supervise the payment of any amounts for which any employer has been finally determined to be liable under any order for payment under clause (A) of paragraph (3) or paragraph (4) of section 5 (a) of this act. Any sum so recovered by the

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Both Houses agreed to conference report on State, Justice, Judiciary appropriation bill. Ready for President. Senate committee reported bills to extend Reorganization Act, provide for budgeting on accrued expenditure basis, and transfer old records to Archives. Sen. Humphrey criticized Secretary's actions on corn bill. Rep. Cooley criticized Secretary's proposal for greater price-support discretion. Rep. Avery defended soil bank program. Sen. Russell and Rep. Whitten introduced and discussed cotton certificate program bill.

SENATE

1. APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 6871, the State, Justice, Judiciary appropriation bill, and acted on amendments which had been reported in disagreement. This bill will now be sent to the President.
pp. 7142, 7151-94, 7079-80
2. REORGANIZATION. The Government Operations Committee reported without amendment S. 1791, to further amend the Reorganization Act of 1949 so as to make the Act apply to reorganization plans transmitted to Congress at any time before June 1, 1959 (S. Rept. 386). p. 7135
3. BUDGETING. The Government Operations Committee reported with amendment S. 434, to provide for budgeting on an accrued expenditure basis (S. Rept. 394). p. 7135.
Sen. Humphrey spoke in favor of the bill and stated, in part, as follows:
"It is fully recognized by the committee that if appropriations for long lead-time programs, such as the building of an aircraft carrier, are converted to the annual accrued expenditure basis, authority must be provided in the dollar amount required for forwarding contracting beyond the current budget

year in which the program is started. The committee amendment, therefore, authorizes the Appropriations Committees to grant contract authority to the executive agencies where necessary for the forward planning of long lead-time programs.

"It is also recognized that a change of this magnitude in appropriations procedures should not be approached on a governmentwide basis, but on the basis of individual appropriations where such a transformation is warranted by the budgetary situation in each Federal agency. The President, therefore, is given the broadest discretion as to implementation of the authority granted by this bill." pp. 7135-6

4. RECORDS. The Government Operations Committee reported without amendment S.1536, providing that, in general, records which are over 50 years old and have sufficient historical value shall be transferred to the Archivist (S. Rept. 388). p. 7135
5. HOUSING; RESEARCH. Passed, 69-1, with amendments H. R. 6659, the housing bill. Senate conferees were appointed. pp. 7196, 7208-39
During debate on this bill Sen. Humphrey criticized the Secretary's actions in connection with the recent corn bill. pp. 7219-20
In connection with an amendment by Sen. Bush to increase the interest rates on college housing loans, Sen. Williams stated that the same principle had been adopted "in connection with the finances of the Commodity Credit Corporation, when we said that Corporation should pay to the Government the average prevailing interest rate." p. 7227
As passed by the Senate, this bill includes a provision directing the Housing and Home Finance Agency to carry out a research program on farm housing until June 30, 1959, in cooperation with the land-grant colleges.
6. ~~BUILDINGS; DISBURSEMENTS; SAFETY; STATION TRANSFERS.~~ The Government Operations Committee ordered reported S. 1799, to facilitate the payment of Government checks; ~~S. 1535, to authorize GSA to make contracts for cleaning and custodial services for periods not exceeding 5 years; S. 931, to provide for reorganizing the safety functions of the Government; and S. 1408, providing allowances for transportation of house trailers by civilian employees who are transferred.~~ pp. 7169, 70
7. REPORT. Both Houses received the annual report of HEM. pp. 7133, 7130
8. NOMINATION. Received the nomination of Robert Bernerd Anderson to be Secretary of the Treasury. p. 7261
9. ATOMIC ENERGY. Received from the State Department a proposed bill for U. S. participation in the International Atomic Energy Agency; to Joint Committee on Atomic Energy. p. 7133
10. FOREIGN AID. The Rules and Administration Committee reported without amendment S. Con. Res. 30, to print a compilation of studies and reports on the foreign aid program (S. Rept. 390). p. 7135
11. ELECTRIFICATION; RECLAMATION. Sen. Goldwater questioned whether there is much support for the Hells Canyon project. pp. 7140-1
Sen. Neuberger spoke in favor of the Hells Canyon proposal. pp. 7239-42
Sen. Morse spoke against rapid tax amortization for certain power projects, etc. pp. 7242-56
12. FLOOD CONTROL. Sen. Johnson, Tex., spoke in favor of flood control and related programs. pp. 7142-4

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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HIGHLIGHTS: (See page 7.)

SENATE

1. APPROPRIATIONS. Both Houses agreed to the conference report on H.R. 6700, the Commerce Department appropriation bill for 1958. (For items of interest to this Department, see Digest 91.) pp. 7310, 7313-14, 7315-18, 7354-5. This bill will now be sent to the President.
Sens. Johnson and Mansfield discussed the handling of appropriation bills, and the matter of the item-veto. Sen. Carlson inserted a list of 39 States giving the executive the item-veto power on appropriation bills. pp. 7287-8
2. FORESTS. Both Houses received from this Department a proposed bill to facilitate the work of the Forest Service through various changes in requirements regarding reimbursements, contracting, station transfers, employee health, property, land purchase, etc. To Senate Agriculture and Forestry Committee and House Agriculture Committee. pp. 7288, 7394
3. STATION TRANSFERS. The Government Operations Committee reported with amendment S. 1408, to provide allowances for the transportation of house trailers by transferred Government employees (S. Rept. 398). p. 7293
4. TRANSPORTATION. Received a Fla. Legislature resolution urging repeal of the excise tax on transportation. p. 7290

5. FOREIGN AID. Sen. Thurmond inserted a Charleston, S. C., Chamber of Commerce resolution protesting against the continuation of the foreign aid program. p. 7292
Sen. Smith, N. J., inserted an article by Under Secretary of State Herter, "Why We're Still Sending Money Abroad." pp. 7296-7
Sen. Smith, N. J., inserted Ambassador Richards' statement to the Senate Foreign Relations Committee on his recent trip to the Middle East. pp. 7297-8
Sen. Wiley inserted a speech by David Rockefeller urging the need for a Middle East Development Authority, which Sen. Wiley described as "The type of modus vivendi which is essential to extricate that region from the rut of troubles." pp. 7299-7302
6. ELECTRIFICATION; RECLAMATION. Sen. Thurmond inserted a Charleston, S. C., Chamber of Commerce resolution opposing S. 555, which would authorize a high dam at Hells Canyon. p. 7292
7. BUILDINGS. The Government Operations Committee reported without amendment S. 1535, allowing General Services Administration to make contracts of up to 5 years for cleaning and custodial services (S. Rept. 396). p. 7293
8. PERSONNEL. The Government Operations Committee reported without amendment S. 1799, to facilitate the payment of Government checks (S. Rept. 397). p. 7293
Passed without amendment S. 1740, to allow the payment by the Civil Service Commission of expenses incurred in maintaining the assets of certain beneficial insurance associations. pp. 7313-20
9. ST. LAWRENCE SEAWAY. Sen. Butler inserted a speech which contended that the Seaway tolls should be set high enough to recover the costs of construction, and keep all forms of transportation competitive. pp. 7308-10
10. TAX AMORTIZATION. Sen. Morse discussed and inserted editorials and articles on the tax writeoff certificate granted the Idaho Power Co. pp. 7311-13
11. RESEARCH. Sen. Morse urged the restoration of funds for the National Science Foundation and inserted five items dealing with it. pp. 7348-51
12. MARKETING. Received a report from the Federal Trade Commission for fiscal year 1956. p. 7288
13. FLOOD CONTROL. Received a proposed bill from the Secretary of the Army to amend Section 5 of the Flood Control Act of 1941 as amended, relating to emergency flood control work; to the Public Works Committee. p. 7289
14. HOUSING LOANS. Received a Calif. Legislature resolution urging that there be no increase in the interest rates on veterans' home loans. p. 7289
15. ATOMIC ENERGY. Sen. Kerr inserted an Okla. Legislature resolution urging cooperation in the U.N. with every peaceful means possible to create an international atomic health service. pp. 7290-1
16. WATER RESOURCES. Sen. Kerr inserted an Okla. House resolution urging an inquiry into the Corps of Engineers land procurement practices in the Oolagan Dam area on the Verdigris River. pp. 7291-2

FACILITATING THE PAYMENT OF GOVERNMENT
CHECKS, AND FOR OTHER PURPOSES

JUNE 3, 1957.—Ordered to be printed

Mr. McCLELLAN, from the Committee on Government Operations,
submitted the following

REPORT

[To accompany S. 1799]

The Committee on Government Operations, to whom was referred the bill (S. 1799) to facilitate the payment of Government checks, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

This bill will make possible a number of changes in the accounting procedures required by existing statutes, in paying Government checks, issuing substitutes for checks which are lost, stolen, or destroyed, and related accounting operations. The provisions of the bill are designed and intended to expedite and reduce the cost of processing and handling Government checks.

The bill amends several provisions of law which will make possible changes in the internal accounting methods and procedures followed by the Department of the Treasury in handling checks drawn on the Treasurer of the United States.

The bill was introduced in the Senate at the request of the Secretary of the Treasury. It was drafted by representatives of the Department, in cooperation with the Bureau of the Budget and the General Accounting Office, as a part of a project of the joint accounting program. These agencies reported that the bill will make possible improvements in operating procedures and reduce the cost of processing checks drawn on the Treasurer of the United States.

BACKGROUND

Under existing law, the amount of a check which remains unpaid for more than 1 fiscal year after the fiscal year in which issued is

transferred from the symbol account of the disbursing officer who drew it, to a special account of the Secretary of the Treasury. If the check is subsequently presented for payment, it is charged to the special account rather than the account on which originally drawn. Similar accounting procedures are necessary whenever a substitute check is issued. Also, if a check is more than 10 years old, payment cannot be made on presentation, but the owner or holder is required to submit a claim to the General Accounting Office and, after settlement by that Office, a new payment is made.

Procedures for the payment of checks have been largely mechanized in recent years at substantial savings to the Government, but present legal requirements have posed a number of mechanical and bookkeeping difficulties, including that with respect to separating those checks received for payment which are over 1 full fiscal year old. Transfers at fixed time intervals of the amounts of individual checks from the accounts on which drawn to special accounts of the Secretary of the Treasury also result in a large amount of work.

Under the proposed legislation, all checks drawn on the Treasurer of the United States would be payable upon presentation without limitation of time. The need for transferring amounts of individual checks from one account to another would be largely eliminated, check payment operations would be greatly simplified, and claims settlement procedure would not be involved except where there was a doubtful question of law or fact. Substitute check procedures would be changed correspondingly so that substitutes could be issued without transfers from one account to another.

NEED FOR LEGISLATION

By letter dated March 19, 1957, the Acting Secretary of the Treasury, Hon. W. Randolph Burgess, submitted the following additional information to the President of the United States Senate:

MEMORANDUM ON PROPOSED LEGISLATION "TO FACILITATE THE PAYMENT OF GOVERNMENT CHECKS, AND FOR OTHER PURPOSES"

The proposed legislation pertains to procedures in paying Government checks, the issue of substitutes of checks which are lost, stolen, or destroyed, and related accounting operations now prescribed by law.

1. *Payment of checks.*—Under section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132), the amounts of all checks drawn on the Treasurer of the United States (except checks drawn on account of public debt obligations and transactions regarding the administration of banking and currency laws) which remain unpaid 1 full fiscal year after the fiscal year in which issued are transferred from the disbursing accounts on which they are drawn to a special deposit account of the Secretary of the Treasury. A check over 1 full fiscal year old but less than 10 years old is payable on presentation against the special deposit account of the Secretary. A check over 10 years old cannot be paid on presentation, but the amount thereof can only be received by the owner or holder after submission of a claim, settlement of

the claim by the General Accounting Office, and issue of a new check.

Procedures for the payment of checks have been largely mechanized, with resultant savings to the Government. In most cases card checks are used with the disbursing officers' symbols prepunched. These checks for the most part can be put through the mechanized payment operation and accounting totals derived in a smooth operation. Special operations are necessary, however, to sort checks, the amounts of which have been transferred to the special account of the Secretary of the Treasury, in order to reflect charges for such checks against such account. Problems are also encountered in connection with checks which may be presented for payment through regular channels after they have become over 10 years old. While such cases are relatively few, their separation from the bulk of checks received for payment without incurring disproportionate expense presents difficulties.

Section 1 (a) of the proposed legislation would deal with these problems by providing that all checks heretofore or hereafter drawn on the Treasurer of the United States would be payable without limitation of time against the disbursing account symbols against which they were originally drawn. Besides eliminating the mechanical problems referred to above, this would also eliminate paperwork and accounting incident to transfers of the amounts of checks from the disbursing account symbols on which drawn to a special deposit account of the Secretary of the Treasury. The only cases which would have to be referred to the General Accounting Office for settlement would be those in connection with which there was a doubtful question of law or fact. This would reduce the burden of claims work required to be handled in the General Accounting Office and enable owners of checks to receive payment thereon promptly regardless of their age, except where there was a reasonable basis to question payment of the check.

Checks drawn on account of public debt obligations and transactions regarding the administration of banking and currency laws are now payable without limitation of time. The proposed legislation would apply the same rule to all the other checks drawn on the Treasurer of the United States, which would provide the advantage of uniformity.

Sections 1 (b) and 1 (c) of the proposed legislation would reenact without substantial change provisions of existing law relating to checks drawn on designated depositaries, and the exemption of check claims from the general statute of limitations as to claims against the United States. The proposed legislation does not cover checks of wholly owned or mixed-ownership Government corporations drawn on accounts in depository banks.

2. *Consolidation of accounts.*—While, in general, the work of transferring amounts of unpaid checks from one account to another is unproductive, there are some cases, such as where disbursing accounts become inactive, in connection

with which it would be desirable to have authority to effect consolidation. Section 2 of the proposed legislation would provide authority for consolidation of such accounts, including the balance of the special deposit account of the Secretary of the Treasury presently maintained for payment of checks outstanding more than 1 full fiscal year old, which account would eventually become inactive. Section 2 would also continue authority of the Secretary of the Treasury to transfer to miscellaneous receipts amounts of outstanding check accounts deemed in excess of requirements for the payment of such checks, and, with the concurrence of the Comptroller General of the United States, to make such rules and regulations as may be deemed necessary or proper for the administration of the act. Amounts determined to be in excess of requirements for the payment of unpaid checks would be transferred to appropriate receipt accounts at least annually.

3. (a) *Claims on account of checks appearing to have been paid.*—Under the act of June 22, 1956 (44 Stat. 761; 31 U. S. C. 122), a claim on account of a check appearing to have been paid is barred if not presented to the General Accounting Office within 6 years after the date of check was issued. The reference in this connection to the General Accounting Office was in recognition of the fact that formerly the General Accounting Office had custody of all paid checks and maintained the records with regard to paid checks. Under current procedure, however, the Office of the Treasurer of the United States maintains custody of paid checks, and related records. Accordingly, section 3 (a) of the bill would provide an amendment to present law under which a claim on account of a check appearing to have been paid would be barred if not presented to the General Accounting Office or the Office of the Treasurer of the United States within 6 years after the date the check was issued.

In addition, section 3 (a) would provide an exception to the statute of limitations with respect to a limited number of check claims on hand which were actually received by the Treasury representative in the Philippine Islands within 6 years after the date of issuance of the checks, but were not received in Washington in time to be presented to the General Accounting Office within the period prescribed by law. There are only a few of these cases and since the proceeds of the checks have been recovered from the endorser, it seems only equitable that the claims of the payees should not be barred from consideration.

(b) *Claims by the United States on account of checks.*—Under the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129), there is a limitation of 6 years within which the United States may bring a court action to enforce the liability of an endorser, transferor, depository, or financial agent arising out of a forged or unauthorized signature or endorsement upon or alteration of any check, unless written notice of the irregularity has been given prior to the expiration of the 6-year period. This limitation is extended by an additional 180 days in connection with any claim presented to the General

Accounting Office within the 6-year time limitation prescribed by the act of June 22, 1926, referred to above in paragraph 3 (a).

Section 3 (b) of the proposed legislation would give the Government the benefit of the additional 180 days in a case where claim was presented to either the General Accounting Office or the Treasurer of the United States, in recognition of the fact that under current procedure check claims ordinarily will be submitted to the Office of the Treasurer of the United States rather than the General Accounting Office.

4. *Substitute checks.*—Under section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (a)), before a substitute for a check which has been lost, stolen, destroyed, or mutilated can be issued, the amount of the original check is required to be transferred from the disbursing officer's symbol account on which originally drawn to a special deposit account of the Secretary of the Treasury. The substitute is issued against the special deposit account. These transfers, which entail a large amount of paperwork and related accounting work, ordinarily serve no useful purpose under present streamlined accounting procedures.

Accordingly, section 4 of the proposed legislation would provide for the issue of substitute checks drawn against the same disbursing officer symbol account as the original check. It will not be necessary, except in certain unusual circumstances, to make transfers of the amounts of checks from the accounts on which they are originally drawn to a special account for substitute checks.

Occasionally, however, a large number of Government checks, drawn under a number of different disbursing account symbols, belonging to a bank which has cashed them, are destroyed by fire or other disaster. In such cases present procedure under which a single substitute check may be drawn in favor of the claimant is of advantage. Under the proposed legislation, the procedure of issuing one substitute check to replace a number of original checks belonging to the same party would be continued by transferring the amounts of the original checks to a single account against which the substitute check would be drawn.

In line with the proposed amendment of the act of July 11, 1947, that would be made by section 1 (a) to the effect that all checks drawn on the Treasurer of the United States would be payable without limitation of time, the present limitation of 10 years on the issuance of substitute checks would be eliminated. The removal of this limitation would make it unnecessary to retain the second proviso of subsection (a) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (a)), which gives special authority to issue substitutes of checks issued on account of public debt obligations and transactions regarding the administration of banking and currency laws, without limitation of time. Since, under section 1 (a) of the proposed legislation, there would be general authority for the issuance of substitutes of checks of the United States without time limitation, special authority with respect to

checks issued on account of public debt obligations and transactions regarding administration of banking and currency laws would no longer be necessary.

5. *Technical amendments.*—Section 5 of the proposed legislation would provide certain technical amendments to existing law for purposes of consistency, as outlined below:

(a) *Substitutes of checks drawn on designated depositaries.*—Under subsection (c) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (c)), it is provided that a substitute of a check drawn on a designated depositary may be issued “prior to the expiration of ten years from the date on which the original check was issued”. Section 1 (b) of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132 (b)), provides, however, that claims for the proceeds of checks drawn on depositaries which have remained unpaid for more than 1 full fiscal year shall be payable by check drawn on the Treasurer of the United States pursuant to settlement of the General Accounting Office. Section 5 (a) of the proposed legislation would amend subsection (c) of section 3646 of the Revised Statutes, as amended, to provide that substitutes for original checks drawn on depositaries may be issued “prior to the close of the fiscal year next following the fiscal year in which the check was issued”. This time period would correspond with that referred to in the related provisions of the act of July 11, 1947.

(b) *Substitutes of Post Office checks.*—Subsection (e) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (e)), authorizes the Postmaster General to issue a substitute for any original check of the Post Office Department “prior to the expiration of ten years from the date on which the original check was issued”. Section 5 (b) of the proposed legislation would delete the phrase quoted, to make provisions with respect to substitutes of Post Office checks consistent with section 1 (a) of the proposed legislation which provides that all checks drawn on the Treasurer of the United States shall be payable without limitation of time, and proposed section 4 relating to substitutes of United States checks other than those issued by the Post Office Department.

(c) *Conditions of payment, substitute checks.*—Under subsection (f) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (f)), substitute checks, except those issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, are deemed to be original checks and payable under the same conditions as original checks; and checks issued on account of public-debt obligations and transactions regarding administration of banking and currency laws are payable without limitation of time. The distinction made in this provision of law between checks issued on account of public-debt obligations and banking and currency laws and other checks would no longer be necessary under the proposed legislation. Accordingly, section 5 (c) of the proposed legislation would amend subsection (f) of section 3646 of the Revised Statutes, as amended, to read: “Substitutes

issued under this section, drawn on the Treasurer of the United States, shall be deemed to be original checks and payable under the same conditions as original checks."

6. *Repeals.*—

(a) *Section 2 of the act of July 11, 1947.*—This provision of law (31 U. S. C. 133) authorized transfers of funds then available for payment of outstanding checks to the special deposit account of the Secretary of the Treasury established at that time for payment of such checks. Since all the transfers of funds have been made, section 6 of the proposed legislation provides for repeal of section 2 of the act of July 11, 1947.

(b) *Section 5 of the act of July 1, 1916, as amended.*—Under section 5 of the act of July 1, 1916, as amended (31 U. S. C. 154), it is provided that the General Accounting Office shall report to the Secretary of the Treasury at the end of each fiscal year all checks which have been outstanding and unpaid for 1 full fiscal year, including in such reports the date, number, and amount of each check and the symbol on which it was drawn. Since in the future the Treasury Department will maintain the records relating to outstanding checks, these reports should no longer be required, and accordingly section 6 of the proposed legislation would repeal section 5 of the act of July 1, 1916, as amended.

AGENCY COMMENTS

The bill has been approved by the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget. Comments of these agencies follow:

B-45879

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 17, 1957.

HON. JOHN L. MCCLELLAN,

Chairman, Committee on Government Operations,
United States Senate.

DEAR MR. CHAIRMAN: Your letter of April 10, 1957, acknowledged April 11, transmitted a copy of S. 1799, 85th Congress, entitled "A bill to facilitate the payment of Government checks, and for other purposes," and requested our views regarding the provisions of the bill, together with our recommendations as to committee action.

This bill proposes to make a number of changes in the procedures required by existing statutes in paying Government checks, issuing substitutes for checks which are lost, stolen, or destroyed, and the related accounting operations. The provisions of this bill are designed and intended to expedite and reduce the cost of processing and handling Government checks for payment. These provisions have been in the process of development for the past 2 years by the Treasury Department and the General Accounting Office on a cooperative basis, and the bill as now drafted represents the final result of this cooperative endeavor. The development of this proposed legislation has been a project of the joint accounting improvement program and has the approval of the committee representing the Treasury

Department, the Bureau of the Budget, and the General Accounting Office.

Accordingly, we consider S. 1799 to be very desirable from the standpoint of fiscal practice and recommend favorable action thereon by your committee.

As requested in your letter, this report is submitted in triplicate.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

TREASURY DEPARTMENT,
Washington, D. C., April 26, 1957.

HON. JOHN L. McCLELLAN,
*Chairman, Committee on Government Operations,
United States Senate, Washington, D. C.*

MY DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Department on S. 1799 to facilitate the payment of Government checks, and for other purposes.

S. 1799 is identical to a draft of bill which the Treasury Department transmitted to the President of the Senate on March 19, 1957, and which was referred to your committee.

The purpose of the bill, which is explained in more detail in the Department's letter of transmittal and accompanying memorandum, is to improve and simplify the procedures relating to the payment of checks drawn on the Treasurer of the United States and the issuance of substitutes for checks which have been lost, stolen, or destroyed. The legislation would eliminate the need for maintaining special accounts for checks over 1 year old as is now required by law. It would also authorize the issuance of substitute checks against the accounts on which the original checks were drawn instead of against special accounts.

The legislation would facilitate mechanical operations in the processing of checks received for payment, would eliminate the needs for numerous transfers of amounts of checks from the accounts on which drawn to special accounts now used for the payment of old and substitute checks, and, except in cases involving doubtful questions of law or fact with respect to payment, would eliminate the need for processing checks over 10 years old through the clearance procedures of the General Accounting Office.

The Department believes that the enactment of the legislation would be in the interests of economy and good administration and, accordingly, recommends favorable consideration of the bill.

Prior to the transmittal of the proposed legislation to the Congress, advice was received from the Bureau of the Budget that there was no objection to its submission.

Very truly yours,

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., April 25, 1957.

Hon. JOHN L. McCLELLAN,
*Chairman, Committee on Government Operations,
United States Senate, Washington 25, D. C.*

MY DEAR MR. CHAIRMAN: This is in reply to your letter of April 10, 1957, requesting the views of this office with respect to S. 1799, a bill to facilitate the payment of Government checks, and for other purposes.

The Bureau of the Budget believes that S. 1799 will simplify Treasury procedures by (1) permitting checks presented for payment to be charged to the disbursing symbols against which originally drawn regardless of the elapsed time between date of issue and date presented for payment, and (2) permitting substitute checks to be drawn against the same disbursing symbols as the checks being replaced. Under present law unnecessary bookkeeping in the form of transfers between disbursing symbols is required in order to issue substitute checks and to effect payment of checks which are more than 1 year old.

The Bureau of the Budget recommends that your committee give favorable consideration to this bill.

Sincerely yours,

PERCIVAL F. BRUNDAGE, *Director.*

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows:

EXISTING LAW

(61 Stat. 308; 31 U. S. C. 132)

(a) With the exception of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, the amounts of all original and substitute checks drawn on the Treasurer of the United States, including those drawn by wholly-owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositories, which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued, shall be transferred from the account of the drawer or the account then available for the

PROPOSED LEGISLATION

SECTION 1

(a) All checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.

EXISTING LAW

payments thereof to a special-deposit account or accounts on the books of the Treasurer of the United States.

(b) With the exception of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, any original or any substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued and checks issued in payment of claims settled by the General Accounting Office on account of any of such checks shall be payable from the special-deposit account or accounts established pursuant to this section: *Provided*, That in the following classes of cases any original or substitute check shall be payable from the special-deposit account or accounts only after settlement by the General Accounting Office: (1) Where the check is drawn on a designated depository, (2) where the owner or holder of the check has died or is incompetent, (3) where on presentation of the check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact, and (4) where the check is over ten year old: *And provided further*, That the limitation imposed in respect to certain claims or demands against the United States by the Act of October 9, 1940 (54 Stat. 1061; U. S. C., title 31, secs. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore drawn on the Treasurer of the United

PROPOSED LEGISLATION

(b) The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by check drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

(c) The limitation imposed in respect to certain claims or demands against the United States by the Act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries.

EXISTING LAW

States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries, but nothing contained in this Act shall be deemed to affect the limitation imposed in respect to claims on account of certain checks by section 2 of the Act of June 22, 1926 (44 Stat. 761; U. S. C., title 31, sec. 122).

(61 Stat. 309; 31 U. S. C. 134)

The Secretary of the Treasury is hereby authorized to take such action as may be necessary to transfer at appropriate intervals from the foregoing special-deposit account or accounts on the books of the Treasury any amounts not required to effect the purposes of this Act and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this Act.

PROPOSED LEGISLATION

SECTION 2

The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the Act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks, and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this Act.

(44 Stat. 761; 31 U. S. C. 122)

SECTION 3

All claims on account of any check, checks, warrant, or warrants appearing to have been paid

(a) Hereafter all claims on account of any check, checks, warrant, or warrants appearing from

EXISTING LAW

shall be barred if not presented to the General Accounting Office within six years after the date of issuance of the check, checks, warrant, or warrants involved.

PROPOSED LEGISLATION

the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within six years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within six years after the date of issuance of such checks.

(60 Stat. 31; 31 U. S. C. 129)

No proceeding in any court shall be brought by the United States or by any agency or official of the United States to enforce the liability of any endorser, transferor, or depositary, or financial agent, arising out of a forged or unauthorized signature or endorsement upon or alteration of any check, checks, warrant, or warrants issued by the Secretary of the Treasury, the Postmaster General, the Treasurer and Assistant Treasurers of the United States, or by disbursing officers and agents of the United States, unless such proceeding is commenced within six years after the presentation to the Treasurer of the United States or other drawee of such issued checks or warrants for payment of such check, checks, warrant, or warrants, or unless within that period written notice shall have been given by the United States or any agency thereof to such endorser, transferor, or depositary, or financial agent of a claim on account of such

(b) No proceeding in any court shall be brought by the United States or by any agency or official of the United States to enforce the liability of any endorser, transferor, or depositary, or financial agent, arising out of a forged or unauthorized signature or endorsement upon or alteration of any check, checks, warrant, or warrants issued by the Secretary of the Treasury, the Postmaster General, the Treasurer and Assistant Treasurers of the United States, or by disbursing officers and agents of the United States, unless such proceeding is commenced within six years after the presentation to the Treasurer of the United States or other drawee of such issued checks or warrants for payment of such check, checks, warrant, or warrants, or unless within that period written notice shall have been given by the United States or an agency thereof to such endorser, transferor, or depositary, or financial agent of a claim on account of such liability. Un-

EXISTING LAW

PROPOSED LEGISLATION

liability. Unless a court proceeding shall have been brought or such notice given within the period prescribed herein, any claim against such endorser, transferor, or depository, or financial agent on account of such liability shall be forever barred: *Provided*, That in connection with any claim presented to the General Accounting Office within the time limitation prescribed by section 2 of the Act of June 22, 1926 (44 Stat. 761; U. S. C., title 31, sec. 122), the period within which such a proceeding may be brought or such notice given shall be extended by an additional one hundred and eighty days, and unless such notice shall be given or a court proceeding brought within such extended period any claim against such endorser, transferor, depository, or financial agent on account of such liability shall be forever barred.

less a court proceeding shall have been brought or such notice given within the period prescribed in this section, any claim against such endorser, transferor, or depository, or financial agent on account of such liability shall be forever barred: *Provided*, That in connection with any claim presented to the General Accounting Office or the Treasurer of the United States within the time limitation prescribed by section 122 of this title, the period within which such a proceeding may be brought or such notice given shall be extended by an additional one hundred and eighty days, and unless such notice shall be given or a court proceeding brought within such extended period any claim against such endorser, transferor, depository, or financial agent on account of such liability shall be forever barred.

(59 Stat. 592; 61 Stat. 309; 31 U. S. C. 528 (a))

SECTION 4

Except as hereinafter provided, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized, prior to the expiration of ten years from the date on which the original check was issued to transfer the amount of the original check from the accounts of the drawer to a special deposit account carried in the name of the Secretary of the Treasury on the books of the Treasurer of the United States, and to issue against such special deposit account to the owner or holder thereof a substitute under current date showing such infor-

Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but

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mation as may be necessary to identify the original check, upon the receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall have first been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check: *And provided further*, That the authority conferred in this section to issue substitute checks, may in the case of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, be exercised without limitation of time.

no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check.

(59 Stat. 592; 61 Stat. 310; 31 U. S. C. 528 (c))

SECTION 5

Notwithstanding the provisions of subsections (a) and (b) of this section whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States drawn on a depository in a foreign country or a Territory or possession of the United States, including the Panama Canal Zone, is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the drawer of the original check or such other officer or employee of the United States as may be authorized by the Secretary of the Treasury with the concurrence of the head of the department or agency upon whose

(a) Notwithstanding the provisions of subsections (a) and (b) of this section whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States drawn on a depository in a foreign country or a Territory or possession of the United States, including the Panama Canal Zone, is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the drawer of the original check or such other officer or employee of the United States as may be authorized by the Secretary of the Treasury with the concurrence of the head of the department or agency upon whose behalf the original

EXISTING LAW

behalf the original check was issued is authorized, prior to the expiration of ten years from the date on which the original check was issued, to issue to the owner or holder thereof a substitute under current date showing such information as may be necessary to identify the original check, drawn against the account of the drawer of the original check or such other account as may be available for the payment of such substitute, upon the receipt and approval by the Secretary of the Treasury of an undertaking, to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; * * *

(59 Stat. 592; 61 Stat. 310; 31 U. S. C. 528 (e))

Notwithstanding the provisions of subsections (a)-(d) of this section, whenever any original check of the Post Office Department has been lost, stolen, or destroyed, the Postmaster General may authorize the issuance of a substitute marked "duplicate" and showing the number, date, and payee of the original check, prior to the expiration of ten years from the date on which the original check was issued, upon the execution by the owner thereof of such bond of indemnity as the Postmaster General may prescribe. * * *

(31 U. S. C. 528 (f))

Substitutes issued under this section drawn on the Treasurer of the United States, except those for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, shall

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check was issued is authorized, prior to the close of the fiscal year next following the fiscal year in which the check was issued, to issue to the owner or holder thereof a substitute under current date showing such information as may be necessary to identify the original check, drawn against the account of the drawer of the original check or such other account as may be available for the payment of such substitute, upon the receipt and approval by the Secretary of the Treasury of an undertaking, to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; * * *

(b) Notwithstanding the provisions of subsections (a)-(d) of this section, whenever any original check of the Post Office Department has been lost, stolen, or destroyed, the Postmaster General may authorize the issuance of a substitute marked "duplicate" and showing the number, date, and payee of the original check upon the execution by the owner thereof of such bond of indemnity as the Postmaster General may prescribe. * * *

(c) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks.

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be deemed to be original checks and shall be payable under the same conditions as original checks. Substitutes for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws shall be payable directly by the Treasurer of the United States without limitation of time.

(61 Stat. 309; 31 U. S. C. 133)

The balances deposited to the credit of the outstanding-liabilities account of any fiscal year pursuant to section 21 of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1235; U. S. C., title 31, 725t), and which have not been covered into the surplus fund of the Treasury shall be transferred to the foregoing special-deposit account or accounts and together with the amounts transferred thereto under the provisions of section 132 of this title shall be available to pay any check payable from such account or accounts.

(39 Stat. 336; 42 Stat. 24; 61 Stat. 309; 31 U. S. C. 154)

At the termination of each fiscal year the General Accounting Office shall report to the Secretary of the Treasury all checks issued by any disbursing officer of the Government or its wholly owned or mixed-ownership corporations, as shown by his accounts rendered to the General Accounting Office, or otherwise, which shall then have been outstanding and unpaid for one full fiscal year after the fiscal year in which issued, stating in such report the date, number, and amount of each check and the symbol on which it was drawn.

(Repealed by sec. 6.)

(Repealed by sec. 6.)

Calendar No. 404

85TH CONGRESS
1ST SESSION

S. 1799

[Report No. 397]

IN THE SENATE OF THE UNITED STATES

APRIL 4, 1957

Mr. McCLELLAN (by request) introduced the following bill; which was read twice and referred to the Committee on Government Operations

JUNE 3, 1957

Reported by Mr. McCLELLAN, without amendment

A BILL

To facilitate the payment of Government checks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 1 of the Act of July 11, 1947 (61 Stat. 308;
4 31 U. S. C. 132) is hereby amended to read as follows:
5 “That (a) all checks heretofore or hereafter drawn on
6 the Treasurer of the United States, including those drawn
7 by wholly owned and mixed-ownership Government cor-
8 porations, shall be payable without limitation of time: *Pro-*
9 *vided,* That where on presentation of any check for pay-
10 ment the Treasurer of the United States is on notice of a
11 doubtful question of law or fact the payment of such check

1 shall be deferred pending settlement by the General Ac-
2 counting Office.

3 “(b) The amount of all checks drawn by authorized
4 officers of the United States on designated depositaries which
5 have not been paid prior to the close of the fiscal year next
6 following the fiscal year in which the checks were issued
7 shall be withdrawn from the accounts with such depositaries
8 and deposited with the Treasurer of the United States for
9 credit to a consolidated account or accounts on the books
10 of the Treasury. Claims for the proceeds of such unpaid
11 checks shall be payable from such consolidated accounts by
12 checks drawn on the Treasurer of the United States pursuant
13 to settlement by the General Accounting Office.

14 “(c) The limitation imposed in respect to certain claims
15 or demands against the United States by the Act of October
16 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237) shall not
17 be deemed to apply to original or substitute checks hereto-
18 fore or hereafter drawn on the Treasurer of the United
19 States, including those drawn by wholly owned and mixed-
20 ownership Government corporations, or drawn by authorized
21 officers of the United States on designated depositaries.”

22 SEC. 2. Section 3 of the Act of July 11, 1947 (61 Stat.
23 309; 31 U. S. C. 134) is hereby amended to read as follows:

24 “SEC. 3. The Secretary of the Treasury is authorized to
25 transfer, at appropriate intervals, amounts of unpaid checks

1 from the accounts on which drawn to a consolidated account
2 or accounts on the books of the Treasury and to transfer to
3 such consolidated account or accounts the balance of the
4 special deposit account established pursuant to section 1 of
5 the Act of July 11, 1947 (61 Stat. 308), which consoli-
6 dated account or accounts shall be available for the payment
7 of such checks, and any unpaid checks heretofore payable
8 from the special deposit account. The Secretary of the
9 Treasury is further authorized to transfer, at appropriate
10 intervals, from the accounts available for the payment of un-
11 paid checks to the appropriate receipt account on the books
12 of the Treasury any amounts not required for the payment of
13 such checks and with the concurrence of the Comptroller
14 General to make such rules and regulations as he may deem
15 necessary or proper for the administration of the provisions
16 of this Act.”

17 SEC. 3. (a) Section 2 of the Act of June 22, 1926 (44
18 Stat. 761; 31 U. S. C. 122) is hereby amended to read as
19 follows:

20 “SEC. 2. Hereafter all claims on account of any check,
21 checks, warrant, or warrants appearing from the records of
22 the General Accounting Office or the Treasury Department
23 to have been paid, shall be barred if not presented to the
24 General Accounting Office or the Treasurer of the United
25 States within six years after the date of issuance of the

1 check, checks, warrant, or warrants involved. However,
2 any claims for the proceeds of checks payable in Philippine
3 pesos heretofore issued in payment of claims certified by the
4 Philippine War Damage Commission, shall not be barred if
5 received by the representative of the Chief Disbursing Officer,
6 United States Treasury Department, at Manila, Republic of
7 the Philippines, within six years after the date of issuance of
8 such checks.”

9 (b) Section 1 of the Act of March 6, 1946 (60 Stat.
10 31; 31 U. S. C. 129) is hereby amended by inserting im-
11 mediately after the words “General Accounting Office” the
12 words “or the Treasurer of the United States”.

13 SEC. 4. Subsection (a) of section 3646 of the Revised
14 Statutes of the United States, as amended (31 U. S. C.
15 528 (a)), is hereby amended to read as follows:

16 “(a) Except as provided in this section, whenever it
17 is clearly proved to the satisfaction of the Secretary of the
18 Treasury that any original check of the United States is
19 lost, stolen, or wholly or partly destroyed, or is so mutilated
20 or defaced as to impair its value to its owner or holder, the
21 Secretary of the Treasury is authorized to issue to the owner
22 or holder thereof against funds available for the payment of
23 the original check a substitute showing such information as

1 may be necessary to identify the original check, upon receipt
2 and approval by the Secretary of the Treasury of an under-
3 taking to indemnify the United States, in such form and
4 amount and with such surety, sureties or security, if any, as
5 the Secretary of the Treasury may require; but no such
6 substitute shall be payable if the original check shall first
7 have been paid: *Provided*, That nothing contained in this
8 section shall be deemed to relieve any certifying officer or
9 his sureties or any disbursing officer or his sureties of any
10 liability to the United States on account of any payment
11 resulting from the erroneous issuance of the original check.”

12 SEC. 5. (a) Subsection (c) of section 3646 of the
13 Revised Statutes of the United States, as amended (31
14 U. S. C. 528 (c)), is further amended by deleting the
15 phrase “prior to the expiration of ten years from the date
16 on which the original check was issued” and inserting in
17 lieu thereof “prior to the close of the fiscal year next fol-
18 lowing the fiscal year in which the check was issued”.

19 (b) Subsection (e) of section 3646 of the Revised
20 Statutes of the United States, as amended (31 U. S. C.
21 528 (e)), is further amended by deleting the phrase “prior
22 to the expiration of ten years from the date on which the
23 original check was issued.”

1 (c) Subsection (f) of section 3646 of the Revised
2 Statutes of the United States, as amended (61 Stat. 310;
3 31 U. S. C. 528 (f)), is further amended to read as
4 follows:

5 “(f) Substitutes issued under this section drawn on
6 the Treasurer of the United States shall be deemed to be
7 original checks and payable under the same conditions as
8 original checks.”

9 SEC. 6. Section 2 of the Act of July 11, 1947 (61
10 Stat. 309; 31 U. S. C. 133) and section 5 of the Act of
11 July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154),
12 are hereby repealed.

85TH CONGRESS
1ST SESSION

S. 1799

[Report No. 397]

A BILL

To facilitate the payment of Government
checks, and for other purposes.

By Mr. McCLELLAN

APRIL 4, 1957

Read twice and referred to the Committee on
Government Operations

JUNE 3, 1957

Reported without amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 7, 1957
For actions of June 6, 1957
85th-1st, No. 97

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HIGHLIGHTS: Sen. Johnson announced Senate would consider Agricultural appropriation bill Tues., June 11. Senate received proposed Budget Bureau bill for greater co-ordination of Federal loan programs and fiscal and credit policies. Sen. Capehart inserted Asst. Secretary Butz' Vermont speech. Rep. Breeding introduced and discussed bill to modify wheat quota law.

HOUSE

1. FOREIGN TRADE; SURPLUS DISPOSAL. The Rules Committee formally reported an open rule waiving points of order on H.R. 6974, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) for one year. p. 7573
2. EXTENSION WORK. Rep. Natcher paid tribute to the work of the 4-H Clubs in Ky. p. 7574
3. EDUCATION. Received the State Department semiannual report on the International Educational Exchange Program. p. 7602
4. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H.R. 3048, relative to the charging of interest on deposits in the civil service retirement fund during certain periods of separation from the service (H. Rept. 540). p. 7603
5. SMALL BUSINESS. The Banking and Currency Committee ordered reported H.R. 7963, to extend the Small Business Act (a clean bill is to be introduced). p. D498
6. PUBLIC LANDS. Received an Ore. Legislature memorial urging legislation to finance and carry out the homesteading of the lands in the Klamath Drainage District. p. 7603

7. DEPRESSED AREAS. This Office has received copies of a House Banking and Currency Committee committee print, "Federal Assistance to Labor Surplus Areas," which are available for lending purposes only. This is a report prepared by the Legislative Reference Service of the Library of Congress and represents an analysis and summary of the major Federal programs to aid labor surplus areas, including the food distribution program of this Department.

8. FOREIGN AID. This office has received copies of H. Rept. 531, the Report of the Special Study Mission to Europe on Policy Toward the Satellite Nations, of the House Committee on Foreign Affairs, which includes comment on Polish agriculture and cotton textiles, and on Yugoslavia's use of Public Law 480 funds.

SENATE

9. BUILDINGS. Passed without amendment S. 1535, to authorize the General Services Administrator to make contracts for cleaning and custodial services for periods up to 5 years. pp. 7555-6

10. FISCAL PROCEDURES. Passed without amendment S. 1799, to facilitate the accounting procedures in the payment of Government checks. pp. 7556-7

11. STATION TRANSFERS. Passed as reported S. 1408, to authorize payment for the transportation of house trailers in the U.S. or Alaska, or between the U.S. and Alaska, in connection with station transfers of Federal employees. p. 7557

12. LOANS. Received from the Budget Bureau a proposed bill to base the interest rates for loans on the current interest on the public debt paid by the Treasury. p. 7531

13. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendment S. 939, to make Federal freight rate contracts binding (S. Rept. 410). p. 7532

14. APPROPRIATIONS. The Appropriations Committee reported with amendments H.R. 6500, the D.C. appropriation bill. (S. Rept. 409.) p. 7532

15. RECLAMATION. Sen. Watkins inserted an article on the Utah State Univ. course on irrigation problems and practices conducted for foreign students each summer for the past 5 years. p. 7537

16. WATER RESOURCES. Sen. Murray criticized the President for not meeting with him and other Pacific Northwest Senators, and inserted two articles, on the Benbrook Reservoir land acquisition question involving Sid Richardson, and on the President's relations with Congressmen. p. 7539

17. FOREIGN AID. Sen. Wiley inserted a speech by Harvey Williams, president of the Philco International Corp., in which he urged that Public Law 480 funds be used for loans to private investors abroad as the basis for a non-military foreign economic aid program. pp. 7539-43

18. MONETARY POLICIES; FARM LOANS. Sen. Bush inserted an editorial on the management of the public debt, and insisted that responsibility for financial management of the money market should be recognized to lie with the Federal Reserve Board. p. 7544

Sens. Gore and Long discussed the rise in interest rates and stated that a 1% increase in farm interest rates cuts farm income 2½%. pp. 7551-2

for the Dominion of Canada. In that speech Mr. Sinclair emphasized what I have related to the Senate today. Mr. Sinclair pointed out that power development in British Columbia should be secured on the Upper Columbia River, because, in his words:

To dam the Fraser would be to ruin the last great salmon river in the world.

I fully support what the Canadian Minister of Fisheries has pointed out. I believe he is correct. He wants to save the Fraser for Sockeyes. I believe his views, as well as those already stated on the Senate floor, point to the wisdom of the Senate today advising and consenting to the resolution of ratification of this protocol.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAN HAVE POWER AND FISH SINCLAIR TELLS MEETING

"Columbia River power development can satisfy the power demands of southern British Columbia for the next 20 years—without damming the Fraser and ruining the salmon industry," Hon. James Sinclair, minister of fisheries, told an audience at the Vernon Senior High School Friday.

Speaking in support of Hilda Cryderman, Liberal candidate for Okanagan-Revelstoke, Mr. Sinclair painted a growing picture of the industrial future of the Okanagan Valley when cheap power is available from the Columbia.

"Ontario is the biggest industrial province because of its cheap hydroelectric power," Mr. Sinclair told an audience of over 200. "The Okanagan Valley and the interior of British Columbia can build up industry, too, if a plentiful supply of power is brought in."

"To dam the Fraser would be to ruin the last great salmon river in the world. But with the Columbia harnessed, we can have fish and power, too."

Pointing out that there are two great issues at stake in this election, the minister listed them as security of lives in the era of the hydrogen bomb, and economic security within the framework of Canadian living.

The PRESIDING OFFICER. If there be no objection, the protocol will be considered as having passed through the various parliamentary stages up to and including the presentation of the resolution of ratification, which the clerk will state.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive C, 85th Congress, 1st session, a protocol between the Government of the United States of America and the Government of Canada to the Convention for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System, signed at Washington on the 26th day of May 1930, which protocol was signed at Ottawa on December 28, 1956.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification of the protocol. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Illinois [Mr. DOUGLAS] and the Senator from West Virginia [Mr. NEELY] are absent on official business.

I further announce, if present and voting, the Senator from Illinois and the Senator from West Virginia would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from New York [Mr. IVES], the Senator from Michigan [Mr. PORTER], and the Senator from Kansas [Mr. SCHOEPEL] are absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Nevada [Mr. MALONE] are detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Wyoming [Mr. BARRETT], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. PAYNE], the Senator from Nevada [Mr. MALONE], the Senator from Michigan [Mr. PORTER], and the Senator from Kansas [Mr. SCHOEPEL] would each vote "yea."

The yeas and nays resulted—yeas 85, nays 0, as follows:

YEAS—85

Aiken	Goldwater	Morse
Anderson	Gore	Morton
Beall	Green	Mundt
Bennett	Hayden	Murray
Bible	Hennings	Neuberger
Bricker	Hickenlooper	O'Mahoney
Bridges	Hill	Pastore
Bush	Holland	Purtell
Butler	Hruska	Revercomb
Byrd	Humphrey	Robertson
Capehart	Jackson	Russell
Carlson	Javits	Saltonstall
Carroll	Jenner	Scott
Case, N. J.	Johnson, Tex.	Smathers
Case, S. Dak.	Johnston, S. C.	Smith, Maine
Chavez	Kefauver	Smith, N. J.
Church	Kennedy	Sparkman
Clark	Kerr	Stennis
Cooper	Knowland	Symington
Cotton	Kuciel	Talmadge
Curtis	Lausche	Thurmond
Dirksen	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Flanders	McClellan	Young
Frear	McNamara	
Fulbright	Monroney	

NOT VOTING—10

Allott	Langer	Potter
Barrett	Malone	Schoeppel
Douglas	Neely	
Ives	Payne	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith that the resolution of ratification has been agreed to.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Without objection, the Senate will resume legislative session.

The Senate resumed the consideration of legislative business.

CONTRACTS FOR CLEANING AND CUSTODIAL SERVICES

Mr. MANSFIELD. Mr. President, after consultation with the acting minority leader, I should like to call up several noncontroversial bills.

Mr. President, I move that the Senate proceed to the consideration of Calendar No. 403, S. 1535.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1535) to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to make contracts for cleaning and custodial services for periods not exceeding 5 years.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, I shall not discuss the bill, but merely ask unanimous consent to have printed in the RECORD a statement of the purpose of the bill. It is a noncontroversial measure, and was reported unanimously by the Committee on Government Operations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMENDING THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949 TO AUTHORIZE THE ADMINISTRATOR OF GENERAL SERVICES TO MAKE CONTRACTS FOR CLEANING AND CUSTODIAL SERVICES FOR PERIODS NOT EXCEEDING 5 YEARS

PURPOSE

This bill would further amend the Federal Property and Administrative Services Act of 1949 by authorizing the Administrator to enter into contracts with private concerns for cleaning, maintenance, elevator operation, and similar custodial services of Government buildings for periods not exceeding 5 years.

NEED FOR LEGISLATION

This bill was introduced at the request of the Administrator of General Services, as a part of the GSA legislative program for 1957. The purpose and objectives of the bill have been approved by the Bureau of the Budget and the General Accounting Office.

Under existing law, the Administrator is permitted to procure space for Government use in and outside the District of Columbia for periods of time not exceeding 5 years. However, no authority of law or regulation exists for the procurement of custodial services, elevator operation, or cleaning of public buildings beyond 1 year. As a result, many buildings are cleaned and serviced by Government employees who are paid on an hourly rate in accordance with the area wage-board rates of pay.

The Administrator has requested enactment of S. 1535, because it is believed that certain economy and efficiency will be possible, by permitting the execution of contracts with private concerns for such services in excess of 1 year but not exceeding 5 years' duration. These objectives will be possible in those areas where the number of Federal buildings are not large enough to obtain maximum efficiency from a full-time custodial force, or in those instances where the buildings are located in isolated areas, or where a centralized custodial staff would not be practicable or efficiency maintained. It is also believed that, if this authority is

granted, the Administrator will be in a position to make cost and management surveys and, if convinced that savings can be effected and the service improved, he could then solicit bids and execute multiple-year contracts for such services from private concerns. Under this procedure, savings could be effected because the contractor could amortize the cost of supplies and equipment over a 5-year period, rather than on a single-year basis as is the customary practice at the present time.

The Administrator states that this proposal may be considered as a tool for better management and custody of public buildings, and will increase economy and efficiency in the maintenance and operation of Federal space, since in some areas it is quite possible that public building services can be obtained on a contractual basis for less money than is possible by the use of full-time Government employees.

The committee is advised that the House Committee on Appropriations has considered the proposal to utilize private contractors for these services and has concurred in the recommendations of the Administrator of General Services that legislation, as proposed by S. 1535, be enacted to authorize the use of private contractors for cleaning and maintenance of public buildings.

THE PRESIDING OFFICER. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 210 (a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U. S. C. 490 (a)), is further amended by the addition of paragraph (13), to read as follows:

"(13) to contract for cleaning, maintenance, elevator operation, and similar custodial services for periods not exceeding 5 years."

FACILITATION OF PAYMENT OF GOVERNMENT CHECKS

MR. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 404, S. 1799.

THE PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

THE LEGISLATIVE CLERK. A bill (S. 1799) to facilitate the payment of Government checks, and for other purposes.

THE PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

MR. HUMPHREY. Mr. President, this bill, likewise, was reported unanimously by the Committee on Government Operations. It is a procedural bill, to expedite and reduce the cost of processing and handling Government checks. We believe it will result in a substantial saving to the Government.

I ask unanimous consent that an explanation of the bill be printed in the RECORD at this point.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill will make possible a number of changes in the accounting procedures required by existing statutes, in paying Gov-

ernment checks, issuing substitutes for checks which are lost, stolen, or destroyed, and related accounting operations. The provisions of the bill are designed and intended to expedite and reduce the cost of processing and handling Government checks.

The bill amends several provisions of law which will make possible changes in the internal accounting methods and procedures followed by the Department of the Treasury in handling checks drawn on the Treasurer of the United States.

The bill was introduced in the Senate at the request of the Secretary of the Treasury. It was drafted by representatives of the Department, in cooperation with the Bureau of the Budget and the General Accounting Office, as a part of a project of the joint accounting program. These agencies reported that the bill will make possible improvements in operating procedures and reduce the cost of processing checks drawn on the Treasurer of the United States.

THE PRESIDING OFFICER. If there be no amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132) is hereby amended to read as follows:

"That (a) all checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositories which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositories and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237) shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositories."

SEC. 2. Section 3 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134) is hereby amended to read as follows:

"**SEC. 3.** The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks, and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appro-

priate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act."

SEC. 3. (a) Section 2 of the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122) is hereby amended to read as follows:

"**SEC. 2.** Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within 6 years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within 6 years after the date of issuance of such checks."

(b) Section 1 of the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129) is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States."

SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)), is hereby amended to read as follows:

"(a) Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal year next following the fiscal year in which the check was issued".

(b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks."

SEC. 6. Section 2 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 133) and section 5 of the act of July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154), are hereby repealed.

ALLOWANCES TO CIVILIAN EMPLOYEES FOR TRANSPORTATION OF HOUSE TRAILERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 405, S. 1408.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations with an amendment on page 1, line 10, after the word "States," to insert "within Alaska, or between the continental United States and Alaska," so as to make the bill read:

Be it enacted, etc., That section 1 (b) of the act entitled "An Act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946, as amended, is amended by adding at the end thereof the following: "Under such regulations as the President may prescribe, any civilian officer or employee who transports a house trailer or mobile dwelling within the continental United States, within Alaska, or between the continental United States and Alaska, for use as a residence and who would otherwise be entitled to transportation of household goods and personal effects under subsection (a) shall be entitled to a reasonable allowance, not to exceed 20 cents per mile, in lieu of such transportation."

Mr. HUMPHREY. Mr. President, this bill was requested by the Department of the Interior. Its enactment will to a considerable extent help to ease the difficult housing situation encountered by workers going from one area to another, particularly outside the continental limits of the United States. It will result in a saving of money to the Government. The bill was reported unanimously by the Committee on Government Operations. I ask that an explanation of the bill be printed in the RECORD at this point.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill, as amended, would authorize the heads of departments and agencies of the Government to pay a mileage allowance to civilian employees to cover the cost of transporting their house trailers when transferred from one official station to another, within the continental United States, within Alaska, or between Alaska and the continental United States. The bill further provides that the mileage allowance to be authorized will be controlled by regulations promulgated by the President of the United States, and will be paid to employees who would otherwise be entitled to the movement of household effects at Government expense.

The amount to be paid will be determined by the head of the agency; however, in no instance would the amount exceed 20 cents a mile for transportation of house trailers or mobile dwellings.

The bill further provides that the trailers would have to be used for dwelling purposes by the employee, and their movement would have to be in connection with a permanent change in duty from one official station to another. To qualify for a mileage allowance the employee would have to be entitled to transportation of his household goods and personal effects because of a change of official duty.

ESTIMATE OF COST

During the consideration of an amendment to the Career Incentive Act of 1955, testimony was given before the House Armed Services Committee that, if an employee had 5,000 pounds of household effects and was transferred from Topeka, Kans., to Fort Worth, Tex., the Government would save about \$106 by moving his personal effects and house trailer on a reimbursable basis in lieu of packing, crating, and transporting his household effects by common carrier.

When the Senate Armed Services Committee considered this measure in 1955 and reported a bill (H. R. 4720) to cover the movement of house trailers for military personnel, the report (S. Rept. 125) contained the following statement:

"The committee was of the opinion that it was only equitable that a serviceman who transports his trailer for use as a residence should receive an allowance. It is significant to note that the cost to the Government will be much less by awarding the mileage allowance than it would be by shipping the man's household effects by private carrier under the prescribed weight limitations."

The committee, in reporting S. 1408, agreed that, since employees who elect to ship their household goods and personal effects, when transferred from one place of employment to another, are entitled, within limitations prescribed by regulations, to the expenses of transportation, packing, crating, temporary storage, drayage, and unpacking such items, the enactment of the proposed legislation would effect savings to the Government.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DONATION OF CERTAIN RECORDS TO THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 406, S. 1141.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1141) to authorize and direct the Administrator of General Services to donate to the Philippine Republic certain records captured from insurgents during 1899-1903.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations with an amendment on page 1, after line 9, to strike out:

SEC. 2. Prior to effecting such transfer, the Administrator of General Services shall cause to be made a complete microfilm copy of said records for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated the sum of \$35,000 to cover the costs of microfilming and of transporting said records to Manila.

And, in lieu thereof, to insert:

SEC. 2. Before effecting such transfer, the Administrator of General Services shall cause to be made a microfilm copy of each document contained in such records which the Secretary of State or his designated representative shall select for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated to the Administrator of General Services such sum, not exceeding \$35,000, as may be required to cover the costs of microfilming records and transporting the originals thereof to Manila in conformity with the provisions of this act.

So as to make the bill read:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to transfer to the Government of the Republic of the Philippines, without compensation, the records captured by United States forces from the Philippine insurgents during the period 1899-1903 and now maintained as part of record group 94 in the National Archives of the United States.

SEC. 2. Before effecting such transfer, the Administrator of General Services shall cause to be made a microfilm copy of each document contained in such records which the Secretary of State or his designated representative shall select for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated to the Administrator of General Services such sum, not exceeding \$35,000, as may be required to cover the costs of microfilming records and transporting the originals thereof to Manila in conformity with the provisions of this act.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, this is a procedural bill. It deals with vital records which are held by the Federal Government, and which are to be transferred from the National Archives to the Government of the Philippine Republic.

Rather than to take the time of the Senate to make a detailed explanation, I ask unanimous consent to have printed at this point in the RECORD the explanation of the bill and the amendment which is contained in the committee report.

There being no objection, the explanation from the report (No. 399) was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill would authorize and direct the Administrator of General Services to transfer, without reimbursement, to the Philippine Government certain records now maintained by the Archivist of the United States. It further provides that certain records and documents be microfilmed by the Administrator of General Services. The sum of \$35,000 is authorized to be appropriated to defray the cost of microfilming such records as may be designated by the Secretary of State or his designated representative, prior to transfer to the Republic of the Philippines.

The purpose of the amendment is to establish a maximum to be expended to cover the cost of microfilming and transportation of the records to Manila, since it is the view of the committee that the sum of \$35,000 requested for this purpose is excessive.

The committee is of the opinion that some of these records may not be of such great im-

importance or significance as would require microfilming for retention in the files of the United States Government. Therefore, the committee approved the amendment in an effort to reduce the costs, if possible, and, further, provided that the Secretary of State, or his duly authorized representative, review the records and determine which papers should be microfilmed before released to the Philippine Republic.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE INESTIMABLE PRIVILEGE OF TRIAL BY JURY

Mr. ROBERTSON. Mr. President, for us in Virginia there is irony in the fact that in the midst of celebrating the 350th anniversary of the Jamestown settlement, where representative government on the North American continent was started, we must pause to fight a proposal sponsored by the President of the United States to abridge one of the most valued rights of self-government, namely, trial by jury.

Under the mocking label of civil rights, the President and his chief law-enforcement officer, the Attorney General, are pressing upon the Congress legislation which would undermine our constitutional liberty and restrict rights which have been cherished since colonial days.

Earlier this week the Senate committee which has been considering the so-called civil-rights bills voted to insert in the one recommended by its subcommittee an amendment assuring to defendants in civil-rights cases the same kind of protection of their right to a jury trial which is now granted in cases involving labor disputes.

On the other side of the Capitol, however, there is a bill under consideration almost identical with the Senate subcommittee's bill in which the threatened abridgment of jury rights still remains.

We do not know what the status of this provision will be in the bill which may be sent to the Senate by the other House. We cannot be sure that those who have accepted the Attorney General's viewpoint that abridgment of jury trials is the heart of the bill will not succeed in their efforts to have the Senate Judiciary Committee reverse its decision. And, in any case, we know that whenever one of these bills is considered on the floor of the Senate a major issue will be the right of trial by jury.

When the time comes for that Senate debate, which now seems inevitable, I shall say, as I have said throughout my service in the Congress, that so-called civil-rights legislation is ill considered, inadvisable and unnecessary. I shall try to point out how it would create friction and ill will that, in the long run, would harm instead of help those alleged to be its beneficiaries. And, above all, I shall try to make clear the danger that the precedent set and the forces placed in motion by such legislation would strike

another blow at the already weakened foundation of a government of balanced powers—a central government having only delegated powers with the sovereign States and the people retaining control of all others not specifically prohibited to them.

In the meantime, however, before the stage of debate on a specific bill is reached, I want to bring to the attention of the Senate the significance, as I see it, of the issue of trial by jury as it is involved in this legislation. I desire to remind the Senate of the background of the right which would be infringed and to point out that this is not a sectional matter but a fundamental one which vitally concerns the citizens of every State of the Union.

And, Mr. President, because I have high personal regard for the present occupant of the White House, it is with sorrow that I must point out the disservice he is doing to the cause of constitutional liberty, in which I am sure he too believes, when he allows the prestige of his office to be thrown behind this legislation.

What a grand opportunity the 350th anniversary of the first permanent English settlement gave the President to emulate the example of Daniel Webster on the 100th anniversary of the birth of George Washington. After praising Washington's contribution to the birth of a new nation; after extolling the benefits the people had derived from the form of government Washington had helped to frame; Webster made an eloquent plea for its preservation. He concluded with the eloquent reminder, which I have often quoted in the past, that other misfortunes may be borne and their effects overcome, but that we cannot reconstruct the fabric of demolished government.

"Who shall rear again the well-proportioned columns of constitutional liberty?" Webster asked; and he solemnly answered "If these columns fall, they will be raised not again."

I had hoped that when the President of the United States became aware of the significance of some of the proposals being made under the label of civil rights he would denounce them in the name of constitutional liberty, but I have been disappointed.

At a press conference last month the President said:

The civil rights bill is a very moderate thing, done in all decency and in a simple attempt to study the matter, see where the Federal responsibilities lie, and to move in strict accordance with the Supreme Court's decision, no faster and no further

Then, when the representative of a Virginia newspaper asked how he felt about the bill's denial of jury trials, the President replied that he was "not going to talk about that matter," and said his questioner would have to ask Attorney General Brownell, who "knows more about it than I do."

As I have said, I have high personal regard for the President and although I do not always agree with him, I frequently have been able to support his recommendations. I am not unmindful of the fact, however, that the Attorney

General is by tradition a political appointee who after he has taken office does not always abandon his partisan viewpoint and I must frankly say that my observation of the conduct in office of Mr. Brownell has not convinced me he is an exception to this rule.

Therefore, I am not willing to accept as final the word of the Attorney General as to the merits and characteristics of this and other civil rights bills, and I am concerned by the implication in the quotations I have cited that the President has placed such reliance on this subordinate official.

I am not so optimistic as to believe the President will find time to read all that I say here today, or that it will be read by the millions of citizens who have not yet realized what a chipping away of the right of trial by jury might mean to them and to their children in the future.

I am determined, however, at least to get on the record some analysis of the right of every citizen to trial by his own neighbors, which has been well called the favorite child of English law.

There is, it seems to me, Mr. President, a certain lack of logic in the argument of the sponsors of these bills. On the one hand, they protest that it is only a little thing to slip civil rights cases into the limited classifications of injunctions which may be handled without jury trials, and they say all the important legal rights of defendants still will be preserved.

On the other hand, however, the Attorney General calls the jury provision the heart of the bill, and it is coupled with such shortcutting procedures as authority to institute action whenever the Attorney General thinks someone is about to engage in acts that would violate the law, and the privilege of taking cases directly to Federal court before available State administrative remedies have been attempted.

No wonder the Washington Star, in an editorial published on April 16, 1957, said these bills contemplate a radical and even dangerous projection of the Federal judicial power, and asked: "In principle, why should not defendants in civil-rights disputes be entitled to at least the same jury protection as defendants in labor disputes?"

To give just one illustration of the meaning of these proposals regarding jury trials, let us contrast an actual case with one which might arise if the Attorney General's proposal is accepted.

On May 27, in Guntersville, Ala., where a labor dispute was in progress, there occurred a shooting in which 2 persons were killed and 6 others were wounded. A local judge then granted a temporary injunction against mass picketing. If, in that acute situation, pickets had marched, in defiance of the order, and had been arrested, they could have demanded and obtained a jury trial.

On the other hand, let us suppose that a registrar of voters in some State should refuse to register an applicant who failed to comply with some requirement of State law. Let us suppose, further, that the applicant belonged to a minority group and appealed to the Attorney

S. 1799

IN THE HOUSE OF REPRESENTATIVES

March 1, 1941

Read twice and referred to the Committee on Commerce

AN ACT

To extend the operation of Government bonds and for other
purposes.

1. That the Secretary of the Treasury be and he is authorized
2. to issue of the United States Government bonds in accordance with
3. the provisions of the Act of July 11, 1941 (54 Stat. 267)
4. and all other Acts in relation thereto.

85TH CONGRESS
1ST SESSION

S. 1799

IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 1957

Referred to the Committee on Government Operations

AN ACT

To facilitate the payment of Government checks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 1 of the Act of July 11, 1947 (61 Stat. 308;
4 31 U. S. C. 132) is hereby amended to read as follows:
5 “That (a) all checks heretofore or hereafter drawn on
6 the Treasurer of the United States, including those drawn
7 by wholly owned and mixed-ownership Government cor-
8 porations, shall be payable without limitation of time: *Pro-*
9 *vided,* That where on presentation of any check for pay-
10 ment the Treasurer of the United States is on notice of a
11 doubtful question of law or fact the payment of such check

1 shall be deferred pending settlement by the General Ac-
2 counting Office.

3 “(b) The amount of all checks drawn by authorized
4 officers of the United States on designated depositaries which
5 have not been paid prior to the close of the fiscal year next
6 following the fiscal year in which the checks were issued
7 shall be withdrawn from the accounts with such depositaries
8 and deposited with the Treasurer of the United States for
9 credit to a consolidated account or accounts on the books
10 of the Treasury. Claims for the proceeds of such unpaid
11 checks shall be payable from such consolidated accounts by
12 checks drawn on the Treasurer of the United States pursuant
13 to settlement by the General Accounting Office.

14 “(c) The limitation imposed in respect to certain claims
15 or demands against the United States by the Act of October
16 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237) shall not
17 be deemed to apply to original or substitute checks hereto-
18 fore or hereafter drawn on the Treasurer of the United
19 States, including those drawn by wholly owned and mixed-
20 ownership Government corporations, or drawn by authorized
21 officers of the United States on designated depositaries.”

22 SEC. 2. Section 3 of the Act of July 11, 1947 (61 Stat.
23 309; 31 U. S. C. 134) is hereby amended to read as follows:

24 “SEC. 3. The Secretary of the Treasury is authorized to
25 transfer, at appropriate intervals, amounts of unpaid checks

1 from the accounts on which drawn to a consolidated account
2 or accounts on the books of the Treasury and to transfer to
3 such consolidated account or accounts the balance of the
4 special deposit account established pursuant to section 1 of
5 the Act of July 11, 1947 (61 Stat. 308), which consoli-
6 dated account or accounts shall be available for the payment
7 of such checks, and any unpaid checks heretofore payable
8 from the special deposit account. The Secretary of the
9 Treasury is further authorized to transfer, at appropriate
10 intervals, from the accounts available for the payment of un-
11 paid checks to the appropriate receipt account on the books
12 of the Treasury any amounts not required for the payment of
13 such checks and with the concurrence of the Comptroller
14 General to make such rules and regulations as he may deem
15 necessary or proper for the administration of the provisions
16 of this Act.”

17 SEC. 3. (a) Section 2 of the Act of June 22, 1926 (44
18 Stat. 761; 31 U. S. C. 122) is hereby amended to read as
19 follows:

20 “SEC. 2. Hereafter all claims on account of any check,
21 checks, warrant, or warrants appearing from the records of
22 the General Accounting Office of the Treasury Department
23 to have been paid, shall be barred if not presented to the
24 General Accounting Office or the Treasurer of the United
25 States within six years after the date of issuance of the

1 check, checks, warrant, or warrants involved. However,
2 any claims for the proceeds of checks payable in Philippine
3 pesos heretofore issued in payment of claims certified by the
4 Philippine War Damage Commission, shall not be barred if
5 received by the representative of the Chief Disbursing Officer,
6 United States Treasury Department, at Manila, Republic of
7 the Philippines, within six years after the date of issuance of
8 such checks.”

9 (b) Section 1 of the Act of March 6, 1946 (60 Stat.
10 31; 31 U. S. C. 129) is hereby amended by inserting im-
11 mediately after the words “General Accounting Office” the
12 words “or the Treasurer of the United States”.

13 SEC. 4. Subsection (a) of section 3646 of the Revised
14 Statutes of the United States, as amended (31 U. S. C.
15 528 (a)), is hereby amended to read as follows:

16 “(a) Except as provided in this section, whenever it
17 is clearly proved to the satisfaction of the Secretary of the
18 Treasury that any original check of the United States is
19 lost, stolen, or wholly or partly destroyed, or is so mutilated
20 or defaced as to impair its value to its owner or holder, the
21 Secretary of the Treasury is authorized to issue to the owner
22 or holder thereof against funds available for the payment of
23 the original check a substitute showing such information as

1 may be necessary to identify the original check, upon receipt
2 and approval by the Secretary of the Treasury of an under-
3 taking to indemnify the United States, in such form and
4 amount and with such surety, sureties or security, if any, as
5 the Secretary of the Treasury may require; but no such
6 substitute shall be payable if the original check shall first
7 have been paid: *Provided*, That nothing contained in this
8 section shall be deemed to relieve any certifying officer or
9 his sureties or any disbursing officer or his sureties of any
10 liability to the United States on account of any payment
11 resulting from the erroneous issuance of the original check.”

12 SEC. 5. (a) Subsection (c) of section 3646 of the
13 Revised Statutes of the United States, as amended (31
14 U. S. C. 528 (c)), is further amended by deleting the
15 phrase “prior to the expiration of ten years from the date
16 on which the original check was issued” and inserting in
17 lieu thereof “prior to the close of the fiscal year next fol-
18 lowing the fiscal year in which the check was issued”.

19 (b) Subsection (e) of section 3646 of the Revised
20 Statutes of the United States, as amended (31 U. S. C.
21 528 (e)), is further amended by deleting the phrase “prior
22 to the expiration of ten years from the date on which the
23 original check was issued”.

1 (c) Subsection (f) of section 3646 of the Revised
2 Statutes of the United States, as amended (61 Stat. 310;
3 31 U. S. C. 528 (f)), is further amended to read as
4 follows:

5 “(f) Substitutes issued under this section drawn on
6 the Treasurer of the United States shall be deemed to be
7 original checks and payable under the same conditions as
8 original checks.”

9 SEC. 6. Section 2 of the Act of July 11, 1947 (61
10 Stat. 309; 31 U. S. C. 133) and section 5 of the Act of
11 July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154),
12 are hereby repealed.

Passed the Senate June 6, 1957.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To facilitate the payment of Government checks, and for other purposes.

JUNE 7, 1957

Referred to the Committee on Government Operations

H. R. 8195

100th Congress, 1st Session

IN THE HOUSE OF REPRESENTATIVES

June 11, 1987

Mr. [Name] of [State] introduced the following bill; which was read twice and referred to the Committee on [Committee Name]

For general information

A BILL

TO [Title of Bill]

1. [Text of Section 1]
2. [Text of Section 2]
3. [Text of Section 3]
4. [Text of Section 4]

85TH CONGRESS
1ST SESSION

H. R. 8195

IN THE HOUSE OF REPRESENTATIVES

JUNE 17, 1957

Mr. DAWSON of Illinois (by request) introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To facilitate the payment of Government checks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 1 of the Act of July 11, 1947 (61 Stat. 308;
4 31 U. S. C. 132), is hereby amended to read as follows:

5 “(a) All checks heretofore or hereafter drawn on the
6 Treasurer of the United States, including those drawn by
7 wholly owned and mixed-ownership Government corpora-
8 tions, shall be payable without limitation of time: *Provided,*
9 That where on presentation of any check for payment the
10 Treasurer of the United States is on notice of a doubtful
11 question of law or fact the payment of such check shall be

1 deferred pending settlement by the General Accounting
2 Office.

3 “(b) The amount of all checks drawn by authorized
4 officers of the United States on designated depositaries which
5 have not been paid prior to the close of the fiscal year next
6 following the fiscal year in which the checks were issued
7 shall be withdrawn from the accounts with such depositaries
8 and deposited with the Treasurer of the United States for
9 credit to a consolidated account or accounts on the books
10 of the Treasury. Claims for the proceeds of such unpaid
11 checks shall be payable from such consolidated accounts by
12 checks drawn on the Treasurer of the United States pursuant
13 to settlement by the General Accounting Office.

14 “(c) The limitation imposed in respect to certain claims
15 or demands against the United States by the Act of October
16 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not
17 be deemed to apply to original or substitute checks heretofore
18 or hereafter drawn on the Treasurer of the United States,
19 including those drawn by wholly owned and mixed-owner-
20 ship Government corporations, or drawn by authorized offi-
21 cers of the United States on designated depositaries.”

22 SEC. 2. Section 3 of the Act of July 11, 1947 (61 Stat.
23 309; 31 U. S. C. 134), is hereby amended to read as follows:

24 “The Secretary of the Treasury is authorized to transfer,
25 at appropriate intervals, amounts of unpaid checks from the

1 accounts on which drawn to a consolidated account or ac-
2 counts on the books of the Treasury and to transfer to such
3 consolidated account or accounts the balance of the special
4 deposit account established pursuant to section 1 of the Act
5 of July 11, 1947 (61 Stat. 308), which consolidated ac-
6 count or accounts shall be available for the payment of such
7 checks and any unpaid checks heretofore payable from the
8 special deposit account. The Secretary of the Treasury is
9 further authorized to transfer, at appropriate intervals, from
10 the accounts available for the payment of unpaid checks to
11 the appropriate receipt account on the books of the Treasury
12 any amounts not required for the payment of such checks
13 and with the concurrence of the Comptroller General to
14 make such rules and regulations as he may deem necessary
15 or proper for the administration of the provisions of this
16 Act."

17 SEC. 3. (a) Section 2 of the Act of June 22, 1926
18 (44 Stat. 761; 31 U. S. C. 122), is hereby amended to read
19 as follows:

20 "Hereafter all claims on account of any check, checks,
21 warrant, or warrants appearing from the records of the
22 General Accounting Office or the Treasury Department to
23 have been paid, shall be barred if not presented to the
24 General Accounting Office or the Treasurer of the United
25 States within six years after the date of issuance of the

1 check, checks, warrant, or warrants involved. However,
2 any claims for the proceeds of checks payable in Philippine
3 pesos heretofore issued in payment of claims certified by
4 the Philippine War Damage Commission, shall not be
5 barred if received by the representative of the Chief Dis-
6 bursing Officer, United States Treasury Department, at
7 Manila, Republic of the Philippines, within six years after
8 the date of issuance of such checks.”

9 (b) Section 1 of the Act of March 6, 1946 (60 Stat.
10 31, 31 U. S. C. 129), is hereby amended by inserting
11 immediately after the words “General Accounting Office”
12 the words “or the Treasurer of the United States”.

13 SEC. 4. Subsection (a) of section 3646 of the Revised
14 Statutes of the United States, as amended (31 U. S. C.
15 528 (a)), is hereby amended to read as follows:

16 “Except as provided in this section, whenever it is
17 clearly proved to the satisfaction of the Secretary of the
18 Treasury that any original check of the United States is lost,
19 stolen, or wholly or partly destroyed, or is so mutilated or
20 defaced as to impair its value to its owner or holder, the
21 Secretary of the Treasury is authorized to issue to the owner
22 or holder thereof against funds available for the payment of
23 the original check a substitute showing such information as
24 may be necessary to identify the original check, upon re-
25 ceipt and approval by the Secretary of the Treasury of an

1 undertaking to indemnify the United States, in such form and
2 amount and with such surety, sureties or security; if any,
3 as the Secretary of the Treasury may require; but no such
4 substitute shall be payable if the original check shall first
5 have been paid: *Provided*, That nothing contained in this
6 section shall be deemed to relieve any certifying officer or
7 his sureties or any disbursing officer or his sureties of any
8 liability to the United States on account of any payment
9 resulting from the erroneous issuance of the original check.”

10 SEC. 5. (a) Subsection (c) of section 3646 of the
11 Revised Statutes of the United States, as amended (31
12 U. S. C. 528 (c)), is further amended by deleting the phrase
13 “prior to the expiration of ten years from the date on which
14 the original check was issued” and inserting in lieu thereof
15 “prior to the close of the fiscal year next following the fiscal
16 year in which the check was issued”.

17 (b) Subsection (e) of section 3646 of the Revised
18 Statutes of the United States, as amended (31 U. S. C.
19 528 (e)), is further amended by deleting the phrase “prior
20 to the expiration of ten years from the date on which the
21 original check was issued”.

22 (c) Subsection (f) of section 3646 of the Revised
23 Statutes of the United States, as amended (61 Stat. 310;
24 31 U. S. C. 528 (f)), is further amended to read as follows:
25 “(f) Substitutes issued under this section drawn on

1 the Treasurer of the United States shall be deemed to be
2 original checks and payable under the same conditions as
3 original checks”.

4 SEC. 6. Section 2 of the Act of July 11, 1947 (61
5 Stat. 309; 31 U. S. C. 133), and section 5 of the Act of
6 July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154).
7 are hereby repealed.

A BILL

To facilitate the payment of Government checks, and for other purposes.

By Mr. Dawson of Illinois

JUNE 17, 1957

Referred to the Committee on Government Operations

June 27, 1957

HOUSE

APPROPRIATIONS. Received the conference report on H.R. 5189, the Interior appropriation bill for 1958, which includes Forest Service items (H. Rept. 653). (pp. 9440-42, 9494). See table at the end of this Digest for information regarding Forest Service items.

A request by Rep. Kirwan for permission to file a conference report on H.R. 7441, the agricultural appropriation bill, by midnight, Thurs., June 27, was withdrawn at the request of Rep. Harrison, Va. (p. 9442). It is understood that the report of the conferees will not be filed for approximately a week.

PEANUTS. The Agriculture Committee reported with amendment H.R. 6570, to amend the Agricultural Adjustment Act of 1938 so as to remove green peanuts from the marketing penalty provisions (H. Rept. 649).

ORGANIZATION. The Government Operations Committee reported with amendment H.R. 8364, to amend the Reorganization Act of 1949 so as to make the Act applicable to reorganization plans transmitted to Congress at any time before June 1, 1959 (H. Rept. 657). p. 9494

HOUSING. Received the conference report on H.R. 6659, the housing bill for 1957 (H. Rept. 659). (pp. 9442, 9487-93, 9494) Authorizes grants by the Housing and Home Finance Administrator to the land-grant colleges for farm housing research of not to exceed \$300,000 for each of the years 1958 and 1959 as proposed by the House, instead of \$200,000 for each of these years as proposed by the Senate.

ADMINISTRATIVE ORDERS. A subcommittee of the Judiciary Committee ordered reported with amendment H.R. 6788, to authorize the abbreviation of the record on the review of enforcement of orders of administrative agencies by the courts of appeals. p. D589

ordered

ACCOUNTING. The Government Operations Committee/ordered reported H.R. 8195, to facilitate the payment of Government checks. p. D589

SURPLUS DISPOSAL. Received from this Department a progress report on the orderly liquidation of stocks of agricultural commodities held by CCC, reflecting estimated activity under the various disposal programs, programs of disposition, and estimated remaining inventory as of June 30, 1958. pp. 9493-94

FORESTRY. Both Houses received from this Department and the Department of the Army a notice of intention of the two Departments to interchange jurisdiction of certain military and national forest lands, pursuant to Public Law 804, 84th Congress. pp. 9358, 9494

Received a Wisc. Legislature memorial favoring legislation to restrict the importation of plywood. p. 9495

PERSONNEL. Passed as reported H.R. 6523, to amend the Federal Employees' Compensation Act to provide compensation for employees of the U.S. suffering injuries from war-risk hazards or during detention by a hostile force or person. p. 9447

Rep. Lane spoke on the need for a program to decrease the shortage of scientists, engineers, and technicians. pp. 9464-65

Received from the Commerce Department a proposed bill to authorize the establishment of 88 positions for specially qualified scientific and professional personnel in Commerce at rates of compensation not to exceed the maximum rate payable under Public Law 313, 80th Congress; to Post Office and Civil Service Committee. p. 9494

26. POSTAL SERVICE. Received from the Postmaster General a cost ascertainment report for the 1956 fiscal year. p. 9494
27. LEGISLATIVE PROGRAM. Rep. McCormack announced that the Interior appropriation bill will probably be considered today, June 28. p. 9465

ITSMS IN APPENDIX

28. CONSERVATION. Rep. McGovern inserted an editorial which details the efforts of a S. Dak. farmer in the field of conservation farming. p. A5151
29. WATER RESOURCES. Rep. Brooks inserted a speech delivered before the Nat'l Rivers and Harbors Congress, "Water Resources and the Tidelands Area." pp. A5153-4
30. INFORMATION; CORN. Rep. Curtis, Mo., inserted a letter from the executive editor of the Congressional Quarterly news features in defense of certain charges made against the Quarterly's method of reporting rollcall votes, including the votes on the corn bills. pp. A5181-3
31. CORN. Rep. Coad inserted an article, "Grow Corn for Plastics," which points to another specific use of agricultural products for industrial purposes. pp. A5161-2
- Rep. Knutson stated that the corn tassel, perhaps better than any other symbol, would be a fitting emblem for our country, and inserted articles and a letter on this subject. pp. A5166-7
32. REORGANIZATION. Rep. Cretella inserted a group message on the Hoover Commission Reports prepared by a group of private citizens outlining certain objectives. pp. A5169-70
33. INSECTICIDES. Rep. Reuss stated that lovers of wildlife the country over are deeply concerned over the effects of chemical sprays for trees and other vegetation on fish and wildlife and inserted articles by conservationists on this subject. p. A5174
34. 4-H CLUBS. Rep. Ikard inserted an award winning speech by a 4-H Club Member describing some of the accomplishments of club members. pp. A5175-6

BILLS INTRODUCED

35. DAIRY PRODUCTS. S. 2408, by Sen. Thye, to authorize a special milk program, a veterans and Armed Forces dairy products program, and an accelerated brucellosis eradication program; to Agriculture and Forestry Committee.
36. RECREATION. S. 2409, by Sen. Neuberger, to establish a Federal Recreation Service in the Department of Health, Education and Welfare; to Labor and Public Welfare Committee. Remarks of author. pp. 9359-60

July 1, 1957

~~House~~

17. ADVISORY COMMITTEES. Passed over, on objection by Rep. Cunningham, Iowa, H.R. 7390, to amend the Administrative Expense Act so as to establish standards for certain advisory committees. p. 9537
18. TRANSPORTATION. Passed without amendment S. 937, to amend Sec. 4 of the Interstate Commerce Act so as to eliminate the necessity of ICC approval of certain rate publications. (p. 9537) This bill will now be sent to the President.
The Interstate and Foreign Commerce Committee reported with amendment H.R. 3233, to amend Sec. 22 of the Interstate Commerce Act so as to provide for transportation of Federal property free or at reduced rates (H. Rept. 677). p. 9579
19. FORESTRY. Passed with/^{out} amendment S. 45, to authorize the sale to the village of Central, N. Mex., of certain lands administered by the Forest Service which were formerly a part of the Ft. Bayard Military Reservation. A similar bill, H.R. 7520, was laid on the table. (pp. 9538-39) This bill will now be sent to the President.
Passed without amendment H.R. 3358, to supplement the land grant provisions of the Alaska Mental Health Enabling Act to permit the selection of certain public lands in Alaska; and H.R. 7864, to amend the Act of May 4, 1956 relative to the establishment of public recreational facilities in Alaska. p. 9539
20. PEANUTS. Passed as reported H.R. 6764, to amend the Act of June 24, 1934 so as to delete the requirement for reports from persons owning or operating peanut picking or threshing machines. The language of the bill was then substituted for the language of a similar bill, S. 609, which was passed. H.R. 6764 was laid on the table. p. 6540
21. ACCOUNTING. Passed with amendment H.R. 8195, to facilitate the payment of Government checks. (pp. 9542-43) This bill had been reported with amendment earlier by the Government Operations Committee (H. Rept. 666). (p. 9579)
22. FOREIGN AID. Agreed to S. Con. Res. 30, to print a compilation of studies and reports prepared by the Special Committee to Study the Foreign Aid Program. p. 9544
Rep. Hiestand urged establishment of a Joint Committee to study the foreign aid program because of the importance of such spending upon inflation and the budget. p. 9570
Rep. Hosmer urged an adequate mutual security program. pp. 9577-8
The Foreign Affairs Committee ordered reported with amendments S. 2130, the mutual security authorization bill. p. D602
23. ATOMIC ENERGY. Passed with amendments H.R. 7383, to provide indemnity and liability for nuclear accidents. pp. 9545, 9548, 9550-66
24. SURPLUS COMMODITIES. The Fisheries and Wildlife Subcommittee ordered reported with amendments to the Merchant Marine and Fisheries Committee H.R. 6959, to authorize the use of CCC surplus commodities to augment the food supplies for migratory waterfowl. p. D602
25. RICE. The Rice Subcommittee ordered reported with amendments to the Agriculture Committee H.R. 4709, to provide that rice acreage history not be developed by planters who plant without acreage allotments, and announced that a clean bill is to be introduced. p. D601

26. OLEOMARGARINE. A subcommittee ordered reported with amendments to the Armed Services Committee H.R. 912, to provide for the serving of oleomargarine or margarine in the Navy ration. p. D601

ITEMS IN APPENDIX

27. COTTON. Sen. Talmadge inserted an American Cotton Manufacturers Institute, Inc., statement of fundamentals regarding a United States Government cotton policy in which it "enunciated" certain basic provisions which the textile industry believes should be embodied in any new cotton program. pp. A5218-9
28. TRANSPORTATION. Sens. Wiley and Magnuson inserted award winning essays on, "The American Merchant Marine: Its Importance to the American Farmer-Miner-Manufacturer in World Trade." pp. A5220-1, A5256-7
29. FARM PROGRAM. Rep. Gathings inserted an editorial discussing the administration's farm program, and stating that "the strangest phase of the spectacle lies in the fact that Mr. Benson is so obviously concerned about the processors of farm commodities, rather than the farmers themselves." pp. A5222-3
Rep. Wharton inserted an article, "Says Government Spending Must be Reduced," setting forth the views of a N.Y. local farm bureau unit on the present farm situation and their reaction after "20-years of so-called farm programs." pp. A5223-4
30. PERSONNEL. Reps. Lane and Multer inserted their statements before the House Post Office and Civil Service Committee in support of legislation to provide for increased annuities for retired Federal employees. pp. A5223, A5246-7
31. POULTRY. Extension of remarks of Rep. Burdick in support of legislation for compulsory poultry inspection. pp. A5232-3
32. SECURITY. Sen. Cotton inserted an article analyzing the recommendations of the Commission on Government Security. p. A5243
33. INFLATION. Sen. Thye inserted an article, "Events May Force Action on Inflation" pp. A5243-4
34. INSECTICIDES. Rep. Patman inserted an article, "The Story of Insecticides," outlining the story of chemical insecticides and their effects on the human body. pp. A5244-5
35. STATEHOOD. Extension of remarks of Rep. Miller, Nebr., summarizing the history of Alaska and urging action on proposed Alaska statehood legislation. pp. A5249-51
36. INTEREST RATES; ELECTRIFICATION. Rep. Johnson criticized the proposed increase in REA loans and inserted various Dairyland Power Cooperative resolutions urging "stable and fair interest rates." pp. A5255-6

BILLS INTRODUCED

37. WHEAT QUOTAS. H.R. 8455 and H.R. 8456, by Rep. Anfuso, to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm; to Agriculture Committee.

FACILITATING THE PAYMENT OF GOVERNMENT CHECKS

JULY 1, 1957.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAWSON of Illinois, from the Committee on Government Operations, submitted the following

REPORT

[To accompany H. R. 8195]

The Committee on Government Operations, to whom was referred the bill (H. R. 8195) to facilitate the payment of Government checks, and for other purposes, having considered the same, report favorably thereon with amendments, and recommend that the bill as amended do pass.

The amendments are as follows:

Page 1, line 4, after "31 U. S. C. 132)" strike the comma.

Page 1, line 5, after the quotation mark insert the word "That".

Page 2, line 16, after "237)" strike the comma.

Page 2, line 23, after "31 U. S. C. 134)" strike the comma.

Page 2, line 24, after the quotation mark insert "SEC. 3."

Page 3, line 16, immediately after the word "Act", insert the following:

"*Provided*, That in the case of checks issued by the Disbursing Officers of the District of Columbia and the Disbursing Officer of the Corps of Engineers in reference to the disbursement of District funds, the Secretary of the Treasury is authorized to transfer, at appropriate intervals, from the accounts available for the payment of such unpaid checks, to the general revenues of the District of Columbia, any amounts not required for the payment of such checks: *Provided further*, That as to such checks issued on or before June 30, 1955, transfers to the general revenues of the District of Columbia shall be limited to the amount of undelivered checks.

Page 3, line 18, after "122)" strike the comma.

Page 3, line 20, after the quotation mark insert "SEC. 2."

Page 4, line 10, after "31" strike comma and insert a semicolon.

Page 4, line 10, after "31 U. S. C. 129)" strike the comma.

Page 4, line 16, after the quotation mark insert "(a)".

Page 5, line 21, strike the quotation mark before the period, insert quotation mark after the period.

Page 6, line 3, strike the quotation mark before the period, and insert quotation mark after the period.

Page 6, line 6, at end of line after "31 U. S. C. 154)" strike the period and insert a comma.

GENERAL STATEMENT

This bill proposes a number of changes in existing legislation regarding the payment of Government checks and the issuance of substitutes for such checks which may have been lost, stolen, destroyed, or mutilated. Its principal provision will make checks drawn on the Treasurer of the United States payable upon presentation without limitation of time and against the account symbols against which they were originally drawn. Under legislation now in effect, Government checks, with a few exceptions, which remain unpaid 1 full fiscal year after the fiscal year in which they were issued but which are less than 10 years old are payable on presentation against a special deposit account of the Secretary of the Treasury. A check over 10 years old cannot be paid on presentation, but the amount thereof can only be received by the owner, or holder, after submission of a claim, settlement of the claim by the General Accounting Office, and the issuance of a new check.

A draft of the proposed legislation was submitted to the Speaker of the House of Representatives by the Secretary of the Treasury and H. R. 8195 was introduced by Chairman William L. Dawson of the Government Operations Committee. The bill has been approved by the Director of the Bureau of the Budget and the Comptroller General of the United States. The bill was closely studied by the Subcommittee on Executive and Legislative Reorganization and reported favorably to the full committee.

The provisions of the bill were developed after a lengthy study by the Treasury Department, the Bureau of the Budget and the General Accounting Office as part of the joint accounting program. This committee has continually given encouragement to the joint accounting program and considers very seriously any resulting recommendations for simplification of procedures as this bill appears to put into effect.

An explanation of the provisions of the bill and the objectives they intend to accomplish are presented in a detailed memorandum prepared by the Treasury Department and contained on page 4 of this report.

At the request of the Commissioners of the District of Columbia, an amendment was adopted by the committee authorizing the Secretary of the Treasury to transfer, at appropriate intervals, to the general revenues of the District of Columbia from the accounts available for the payment of unpaid checks issued by the disbursing officers of the District of Columbia and of the Corps of Engineers in reference to the disbursing of District funds, any amounts not required for the payment of such checks. This amendment is designed to avoid the possibility that the amounts available for the District's unpaid checks may be paid into the receipt accounts of the United

States. This amendment, including a further proviso that such transfers of checks issued on or before June 30, 1955, be limited to the amount of undelivered checks, was approved by the Treasury Department, the Bureau of the Budget and the General Accounting Office.

Letter of transmittal of draft of proposed legislation to the Speaker of the House of Representatives from the Acting Secretary of the Treasury:

TREASURY DEPARTMENT,
Washington, March 19, 1957.

The SPEAKER,
House of Representatives.

MY DEAR MR. SPEAKER: There is transmitted herewith a draft of a proposed bill to facilitate the payment of Government checks, and for other purposes.

Under present law, the amount of a check which remains unpaid for more than 1 fiscal year after the fiscal year in which issued is transferred from the symbol account of the disbursing officer who drew it to a special account of the Secretary of the Treasury. If the check is subsequently presented for payment, it is charged to the special account rather than the account on which originally drawn. Similar accounting procedures are necessary whenever a substitute check is issued. Also, if a check is more than 10 years old, payment cannot be made on presentation, but the owner or holder has to submit a claim to the General Accounting Office and after settlement by that Office a new payment is made.

Procedures for the payment of checks have been largely mechanized in recent years at substantial savings to the Government, but present legal requirements have posed a number of mechanical and bookkeeping difficulties, including that with respect to separating those checks received for payment which are over 1 full fiscal year old. Transfers at fixed time intervals of the amounts of individual checks from the accounts on which drawn to special accounts of the Secretary of the Treasury also result in a large amount of work.

Under the proposed legislation, all checks, drawn on the Treasurer of the United States would be payable upon presentation without limitation of time. The need for transferring amounts of individual checks from one account to another would be largely eliminated, check payment operations would be greatly simplified, and claims settlement procedure would not be involved except where there was a doubtful question of law or fact. Substitute check procedures would be changed correspondingly so that substitutes could be issued without transfers from one account to another. A detailed explanation of the proposed legislation and a comparative statement of present and proposed law are enclosed.

It is respectfully requested that you lay the proposed bill before the House of Representatives. A similar proposal has been transmitted to the President of the Senate.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

EXPLANATION BY THE TREASURY DEPARTMENT

The following memorandum was transmitted to the Speaker of the House of Representatives by the Secretary of the Treasury along with the draft of the proposed legislation:

MEMORANDUM ON PROPOSED LEGISLATION TO FACILITATE THE PAYMENT OF GOVERNMENT CHECKS, AND FOR OTHER PURPOSES

The proposed legislation pertains to procedures in paying Government checks, the issue of substitutes of checks which are lost, stolen, or destroyed, and related accounting operations now prescribed by law.

1. *Payment of checks.*—Under section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132), the amounts of all checks drawn on the Treasurer of the United States (except checks drawn on account of public debt obligations and transactions regarding the administration of banking and currency laws) which remain unpaid 1 full fiscal year after the fiscal year in which issued are transferred from the disbursing accounts on which they are drawn to a special deposit account of the Secretary of the Treasury. A check over 1 full fiscal year old but less than 10 years old is payable on presentation against the special deposit account of the Secretary. A check over 10 years old cannot be paid on presentation, but the amount thereof can only be received by the owner or holder after submission of a claim, settlement of the claim by the General Accounting Office and issue of a new check.

Procedures for the payment of checks have been largely mechanized, with resultant savings to the Government. In most cases card checks are used with the disbursing officers' symbols prepunched. These checks for the most part can be put through the mechanized payment operation and accounting totals derived in a smooth operation. Special operations are necessary, however, to sort checks, the amounts of which have been transferred to the special account of the Secretary of the Treasury, in order to reflect charges for such checks against such account. Problems are also encountered in connection with checks which may be presented for payment through regular channels after they have become over 10 years old. While such cases are relatively few, their separation from the bulk of checks received for payment without incurring disproportionate expense presents difficulties.

Section 1 (a) of the proposed legislation would deal with these problems by providing that all checks heretofore or hereafter drawn on the Treasurer of the United States would be payable without limitation of time against the disbursing account symbols against which they were originally drawn. Besides eliminating the mechanical problems referred to above, this would also eliminate paperwork and accounting incident to transfers of the amounts of checks from the disbursing account symbols on which drawn to a special deposit account of the Secretary of the Treasury. The only cases

which would have to be referred to the General Accounting Office for settlement would be those in connection with which there was a doubtful question of law or fact. This would reduce the burden of claims work required to be handled in the General Accounting Office and enable owners of checks to receive payment thereon promptly regardless of their age, except where there was a reasonable basis to question payment of the check.

Checks drawn on account of public debt obligations and transactions regarding the administration of banking and currency laws are now payable without limitation of time. The proposed legislation would apply the same rule to all the other checks drawn on the Treasurer of the United States, which would provide the advantage of uniformity.

Sections 1 (b) and 1 (c) of the proposed legislation would reenact without substantial change provisions of existing law relating to checks drawn on designated depositories, and the exemption of check claims from the general statute of limitations as to claims against the United States. The proposed legislation does not cover checks of wholly owned or mixed-ownership Government corporations drawn on accounts in depository banks.

2. *Consolidation of accounts.*—While in general, the work of transferring amounts of unpaid checks from one account to another is unproductive, there are some cases, such as where disbursing accounts become inactive, in connection with which it would be desirable to have authority to effect consolidation. Section 2 of the proposed legislation would provide authority for consolidation of such accounts, including the balance of the special deposit account of the Secretary of the Treasury presently maintained for payment of checks outstanding more than 1 full fiscal year old, which account would eventually become inactive. Section 2 would also continue authority of the Secretary of the Treasury to transfer to miscellaneous receipts amounts of outstanding check accounts deemed in excess of requirements for the payment of such checks, and with the concurrence of the comptroller General of the United States, to make such rules and regulations as may be deemed necessary or proper for the administration of the act. Amounts determined to be in excess of requirements for the payment of unpaid checks would be transferred to appropriate receipt accounts at least annually.

3. (a) *Claims on account of checks appearing to have been paid.*—Under the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122), a claim on account of check appearing to have been paid is barred if not presented to the General Accounting Office within 6 years after the date the check was issued. The reference in this connection to the General Accounting Office was in recognition of the fact that formerly the General Accounting Office had custody of all paid checks and maintained the records with regard to paid checks. Under current procedure, however, the Office of the Treasurer of the United States maintains custody of paid checks, and

related records. Accordingly, section 3 (a) of the bill would provide an amendment to present law under which a claim on account of a check appearing to have been paid would be barred if not presented to the General Accounting Office or the Office of the Treasurer of the United States, within 6 years after the date the check was issued.

In addition, section 3 (a) would provide an exception to the statute of limitations with respect to a limited number of check claims on hand which were actually received by the Treasury representative in the Philippine Islands within 6 years after the date of issuance of the checks, but were not received in Washington in time to be presented to the General Accounting Office within the period prescribed by law. There are only a few of these cases and since the proceeds of the checks have been recovered from the endorsers, it seems only equitable that the claims of the payees should not be barred from consideration.

(b) Claims by the United States on account of checks—under the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129), there is a limitation of 6 years within which the United States may bring a court action to enforce the liability of an endorser, transferor, depositary or financial agent arising out of a forged or unauthorized signature or endorsement upon or alteration of any check, unless written notice of the irregularity has been given prior to the expiration of the 6-year period. This limitation is extended by an additional 180 days in connection with any claim presented to the General Accounting Office within the 6-year time limitation prescribed by the act of June 22, 1926, referred to above in paragraph 3 (a).

Section 3 (b) of the proposed legislation would give the Government the benefit of the additional 180 days in a case where claim was presented to either the General Accounting Office or the Treasurer of the United States, in recognition of the fact that under current procedure check claims ordinarily will be submitted to the Office of the Treasurer of the United States rather than the General Accounting Office.

4. *Substitute checks.*—Under section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (a)), before a substitute for a check which has been lost, stolen, destroyed, or mutilated can be issued, the amount of the original check is required to be transferred from the disbursing officer's symbol account on which originally drawn to a special deposit account of the Secretary of the Treasury. The substitute is issued against the special deposit account. These transfers, which entail a large amount of paperwork and related accounting work, ordinarily serve no useful purpose under present streamlined accounting procedures.

Accordingly, section 4 of the proposed legislation would provide for the issue of substitute checks drawn against the same disbursing officer symbol account as the original check. It will not be necessary, except in certain unusual circumstances, to make transfers of the amounts of checks from the accounts on which they are originally drawn to a special account for substitute checks.

Occasionally, however, a large number of Government checks, drawn under a number of different disbursing account symbols, belonging to a bank which has cashed them, are destroyed by fire or other disaster. In such cases present procedure under which a single substitute check may be drawn in favor of the claimant is of advantage. Under the proposed legislation, the procedure of issuing one substitute check to replace a number of original checks belonging to the same party would be continued by transferring the amounts of the original checks to a single account against which the substitute check would be drawn.

In line with the proposed amendment of the act of July 11, 1947, that would be made by section 1 (a) to the effect that all checks drawn on the Treasurer of the United States would be payable without limitation of time, the present limitation of 10 years on the issuance of substitute checks would be eliminated. The removal of this limitation would make it unnecessary to retain the second proviso of subsection (a) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (a)), which gives special authority to issue substitutes of checks issued on account of public debt obligations and transactions regarding the administration of banking and currency laws, without limitation of time. Since, under section 1 (a) of the proposed legislation, there would be general authority for the issuance of substitutes of checks of the United States without time limitation, special authority with respect to checks issued on account of public debt obligations and transactions regarding administration of banking and currency laws would no longer be necessary.

5. *Technical amendments.*—Section 5 of the proposed legislation would provide certain technical amendments to existing law for purposes of consistency, as outlined below:

(a) *Substitutes of checks drawn on designated depositaries.*—Under subsection (c) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (c)), it is provided that a substitute of a check drawn on a designated depositary may be issued "prior to the expiration of 10 years from the date on which the original check was issued." Section 1 (b) of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132 (b)) provides, however, that claims for the proceeds of checks drawn on depositaries which have remained unpaid for more than 1 full fiscal year shall be payable by check drawn on the Treasurer of the United States pursuant to settlement of the General Accounting Office. Section 5 (a) of the proposed legislation would amend subsection (c) of section 3646 of the Revised Statutes as amended, to provide that substitutes for original checks drawn on depositaries may be issued "prior to the close of the fiscal year next following the fiscal year in which the check was issued." This time period would correspond with that referred to in the related provisions of the act of July 11, 1947.

(b) *Substitutes of post office checks.*—Subsection (e) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (e)), authorizes the Postmaster General to issue a

substitute for any original check of the Post Office Department "prior to the expiration of 10 years from the date on which the original check was issued." Section 5 (b) of the proposed legislation would delete the phrase quoted, to make provisions with respect to substitutes of post office checks consistent with section 1 (a) of the proposed legislation which provides that all checks drawn on the Treasurer of the United States shall be payable without limitation of time, and proposed section 4 relating to substitutes of United States checks other than those issued by the Post Office Department.

(c) *Conditions of payment, substitute checks.*—Under subsection (f) of section 3646 of the Revised Statutes, as amended (31 U. S. C. 528 (f)), substitute checks, except those issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, are deemed to be original checks and payable under the same conditions as original checks; and checks issued on account of public-debt obligations and transactions regarding administration of banking and currency laws are payable without limitation of time. The distinction made in this provision of law between checks issued on account of public-debt obligations and banking and currency laws and other checks would no longer be necessary under the proposed legislation. Accordingly, section 5 (c) of the proposed legislation would amend subsection (f) of section 3646 of the Revised Statutes, as amended, to read: "Substitutes issued under this section, drawn on the Treasurer of the United States, shall be deemed to be original checks and payable under the same conditions as original checks."

6. *Repeals.*—

(a) *Section 2 of the act of July 11, 1947.*—This provision of law (31 U. S. C. 133), authorized transfers of funds then available for payment of outstanding checks to the special deposit account of the Secretary of the Treasury established at that time for payment of such checks. Since all the transfers of funds have been made, section 6 of the proposed legislation provides for repeal of section 2 of the act of July 11, 1947.

(b) *Section 5 of the act of July 1, 1916, as amended.*—Under section 5 of the act of July 1, 1916, as amended (31 U. S. C. 154), it is provided that the General Accounting Office shall report to the Secretary of the Treasury at the end of each fiscal year all checks which have been outstanding and unpaid for 1 full fiscal year, including in such reports the date, number, and amount of each check and the symbol on which it was drawn. Since in the future the Treasury Department will maintain the records relating to outstanding checks, these reports should no longer be required, and accordingly section 6 of the proposed legislation would repeal section 5 of the act of July 1, 1916, as amended.

REPORT OF THE COMPTROLLER GENERAL OF THE UNITED STATES

APRIL 11, 1957.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives.*

DEAR MR. CHAIRMAN: Your letter of March 23, 1957, acknowledged March 25, transmitted a copy of a draft of a proposed bill submitted by the Acting Secretary of the Treasury entitled a bill to facilitate the payment of Government checks and for other purposes, and requested an expression of our judgment as to the desirability of this legislation from the standpoint of fiscal practice.

The proposed bill, which is identical with S. 1799, 85th Congress, proposes a number of changes in existing legislation regarding the payment of Government checks and the issuance of substitutes for such checks which may have been lost, stolen, destroyed, or mutilated. This proposed legislation has been in the process of development for the past 2 years by the Treasury Department and the General Accounting Office on a cooperative basis, and the draft bill as presented to your committee represents the final result of this cooperative endeavor. Its development has been a project of the joint accounting improvement program and has the approval of the committee representing the Treasury Department, the Bureau of the Budget, and the General Accounting Office.

Accordingly, we consider the proposed legislation to be very desirable from the standpoint of fiscal practice and recommend that it be favorably considered by the Congress.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

REPORT OF THE BUREAU OF THE BUDGET ON H. R. 8195
EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., June 26, 1957.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington 25, D. C.*

MY DEAR MR. CHAIRMAN: This is in reply to a request for the views of this office with respect to H. R. 8195, a bill to facilitate the payment of Government checks, and for other purposes.

The Bureau of the Budget believes that H. R. 8195 will simplify Treasury procedures by (1) permitting checks presented for payment to be charged to the disbursing symbols against which originally drawn, regardless of the elapsed time between date of issue and date presented for payment, and (2) permitting substitute checks to be drawn against the same disbursing symbols as the checks being replaced. Under present law unnecessary bookkeeping in the form of transfers between disbursing symbols is required in order to issue substitute checks and to effect payment of checks which are more than 1 year old.

The Bureau of the Budget recommends that your committee give favorable consideration to this bill.

Sincerely yours,

PERCY RAPPAPORT, *Assistant Director.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTIONS 1, 2, AND 3 OF THE ACT OF JULY 11, 1947 (61 STAT. 308, 309; 31 U. S. C. 132-134)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **[**That, with the exception of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, the amounts of all original and substitute checks drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries, which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued, shall be transferred from the account of the drawer or the account then available for the payment thereof to a special-deposit account or accounts on the books of the Treasurer of the United States.

[(b) With the exception of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, any original or any substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued and checks issued in payment of claims settled by the General Accounting Office on account of any of such checks shall be payable from the special-deposit account or accounts established pursuant to this section: *Provided*, That in the following classes of cases any original or substitute check shall be payable from the special-deposit account or accounts only after settlement by the General Accounting Office: (1) Where the check is drawn on a designated depositary, (2) where the owner or holder of the check has died or is incompetent, (3) where on presentation of the check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact, and (4) where the check is over ten years old: *And provided further*, That the limitation imposed in respect to certain claims or demands against the United States by the Act of October 9, 1940 (54 Stat. 1061; U. S. C., title 31, secs. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries, but nothing contained in this Act shall be deemed to affect the limitation imposed in respect to claims on account of certain checks by section 2 of the Act of June 22, 1926 (44 Stat. 761; U. S. C., title 31, sec. 122).**]**

(a) *All checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: Provided, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.*

(b) *The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.*

(c) *The limitation imposed in respect to certain claims or demands against the United States by the Act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries.*

[SEC. 2. *The balances deposited to the credit of the outstanding-liabilities account of any fiscal year pursuant to section 21 of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1235; U. S. C., title 31, sec. 725t), and which have not been covered into the surplus fund of the Treasury shall be transferred to the foregoing special-deposit account or accounts and together with the amounts transferred thereto under the provisions of section 1 shall be available to pay any check payable from such account or accounts.***]**

SEC. 3. **[***The Secretary of the Treasury is hereby authorized to take such action as may be necessary to transfer at appropriate intervals from the foregoing special-deposit account or accounts to the appropriate receipt account or accounts on the books of the Treasury any amounts not required to effect the purposes of this Act and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act.***]** *The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the Act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid check to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this Act.*

SECTION 1 OF THE ACT OF MARCH 6, 1946 (60 STAT. 31; 31 U. S. C. 129)

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no proceeding in any court shall be brought by the United States or by any agency or official of the United States to enforce the liability of any endorser, transferor, or depository, or financial agent, arising out of a forged or unauthorized signature or endorsement upon or alteration of any check, checks, warrant, or warrants issued by the Secretary of the Treasury, the Postmaster General, the Treasurer and Assistant Treasurers of the United States, or by disbursing officers and agents of the United States, unless such proceeding is commenced within six years after the presentation to the Treasurer of the United States or other drawee of such issued checks or warrants for payment of such check, checks, warrant, or warrants, or unless within that period written notice shall have been given by the United States or an agency thereof to such endorser, transferor, or depository, or financial agent of a claim on account of such liability. Unless a court proceeding shall have been brought or such notice given within the period prescribed herein, any claim against such endorser, transferor, or depository, or financial agent on account of such liability shall be forever barred: *Provided*, That in connection with any claim presented to the General Accounting Office or the Treasurer of the United States within the time limitation prescribed by section 2 of the Act of June 22, 1926 (44 Stat. 76; U. S. C., title 31, sec. 122), the period within which such a proceeding may be brought or such notice given shall be extended by an additional one hundred and eighty days, and unless such notice shall be given or a court proceeding brought within such extended period any claim against such endorser, transferor, depository, or financial agent on account of such liability shall be forever barred.*

SECTION 2 OF THE ACT OF JUNE 22, 1926 (44 STAT. 761; 31 U. S. C. 122)

SEC. 2. **[All]** *Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within six years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within six years after the date of issuance of such checks.*

SECTION 5 OF THE ACT OF JULY 1, 1916, AS AMENDED (61 STAT. 309; 31 U. S. C. 154)

[SEC. 5.] At the termination of each fiscal year the General Accounting Office shall report to the Secretary of the Treasury all checks issued by any disbursing officer of the Government or its wholly owned or

mixed-ownership corporations, as shown by his accounts rendered to the General Accounting Office, or otherwise, which shall then have been outstanding and unpaid for one full fiscal year after the fiscal year in which issued, stating in such report the date, number, and amount of each check and the symbol on which it was drawn.】

SECTION 3646 (A), (C), (E), AND (F) OF THE REVISED STATUTES (31 U. S. C. 528 (A), (C), (E), AND (F))

SECTION 3646. (a) 【Except as hereinafter provided】 *Except as provided in this section*, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized 【, prior to the expiration of ten years from the date on which the original check was issued to transfer the amount of the original check from the account of the drawer or the account available for payment of the original check to a special deposit account carried in the name of the Secretary of the Treasury on the books of the Treasurer of the United States, and】 to issue 【against such special deposit account】 to the owner or holder thereof *against funds available for the payment of the original check* a substitute 【under current date】 showing such information as may be necessary to identify the original check, upon 【the】 receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties 【,】 or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing 【herein】 contained *in this section* shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check 【: *And provided further*, That the authority herein conferred to issue substitute checks may, in the case of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, be exercised without limitation of time】.

* * * * *

(c) Notwithstanding the provisions of subsections (a) and (b) of this section whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States drawn on a depository in a foreign country or a Territory or possession of the United States, including the Panama Canal Zone and the Philippine Islands, is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the drawer of the original check or such other officer or employee of the United States as may be authorized by the Secretary of the Treasury with the concurrence of the head of the department or agency upon whose behalf the original check was issued is authorized, prior to the 【expiration of ten years from the date on which the original】 *close of the fiscal year next following the fiscal year in which the check was issued*, to issue to the owner or holder thereof a substitute

under current date showing such information as may be necessary to identify the original check, drawn against the account of the drawer of the original check or such other account as may be available for the payment of such substitute, upon the receipt and approval by the Secretary of the Treasury of an undertaking, to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid. Nothing herein contained shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check.

* * * * *

(e) Notwithstanding the provisions of subsections (a), (b), (c), and (d) of this section, whenever any original check of the Post Office Department has been lost, stolen, or destroyed, the Postmaster General may authorize the issuance of a substitute, marked "duplicate" and showing the number, date, and payee of the original check, [prior to the expiration of ten years from the date on which the original check was issued], upon the execution by the owner thereof of such bond of indemnity as the Postmaster General may prescribe: *Provided*, That when the Postmaster General is satisfied that such loss, theft, or destruction occurred without fault of the owner or holder or while any check was in the custody or control of the Post Office Department or in the mails, the Postmaster General may, in lieu of an indemnity bond, authorize the issuance of a substitute check or warrant upon such affidavit as he may prescribe, to be made by the payee or owner of an original check.

(f) Substitutes issued under this section drawn on the Treasurer of the United States [except those for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws.] shall be deemed to be original checks and [shall be] payable under the same conditions as original checks. [Substitutes for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws shall be payable directly by the Treasurer of the United States without limitation of time.]

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85TH CONGRESS
1ST SESSION

H. R. 8195

[Report No. 666]

IN THE HOUSE OF REPRESENTATIVES

JUNE 17, 1957

Mr. DAWSON of Illinois (by request) introduced the following bill; which was referred to the Committee on Government Operations

JULY 1, 1957

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To facilitate the payment of Government checks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 1 of the Act of July 11, 1947 (61 Stat. 308;
4 31 U. S. C. 132) is hereby amended to read as follows:

5 “*That* (a) all checks heretofore or hereafter drawn on
6 the Treasurer of the United States, including those drawn by
7 wholly owned and mixed-ownership Government corpora-
8 tions, shall be payable without limitation of time: *Provided,*

9 That where on presentation of any check for payment the
10 Treasurer of the United States is on notice of a doubtful
11 question of law or fact the payment of such check shall be

1 deferred pending settlement by the General Accounting
2 Office.

3 “(b) The amount of all checks drawn by authorized
4 officers of the United States on designated depositaries which
5 have not been paid prior to the close of the fiscal year next
6 following the fiscal year in which the checks were issued
7 shall be withdrawn from the accounts with such depositaries
8 and deposited with the Treasurer of the United States for
9 credit to a consolidated account or accounts on the books
10 of the Treasury. Claims for the proceeds of such unpaid
11 checks shall be payable from such consolidated accounts by
12 checks drawn on the Treasurer of the United States pursuant
13 to settlement by the General Accounting Office.

14 “(c) The limitation imposed in respect to certain claims
15 or demands against the United States by the Act of October
16 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not
17 be deemed to apply to original or substitute checks heretofore
18 or hereafter drawn on the Treasurer of the United States,
19 including those drawn by wholly owned and mixed-owner-
20 ship Government corporations, or drawn by authorized offi-
21 cers of the United States on designated depositaries.”

22 SEC. 2. Section 3 of the Act of July 11, 1947 (61 Stat.
23 309; 31 U. S. C. 134), is hereby amended to read as follows:

24 “SEC. 3. The Secretary of the Treasury is authorized to
25 transfer, at appropriate intervals, amounts of unpaid checks

1 from the accounts on which drawn to a consolidated account
2 or accounts on the books of the Treasury and to transfer to
3 such consolidated account or accounts the balance of the
4 special deposit account established pursuant to section 1 of
5 the Act of July 11, 1947 (61 Stat. 308), which consolidated
6 account or accounts shall be available for the payment of
7 such checks and any unpaid checks heretofore payable from
8 the special deposit account. The Secretary of the Treasury is
9 further authorized to transfer, at appropriate intervals, from
10 the accounts available for the payment of unpaid checks to
11 the appropriate receipt account on the books of the Treasury
12 any amounts not required for the payment of such checks
13 and with the concurrence of the Comptroller General to
14 make such rules and regulations as he may deem necessary
15 or proper for the administration of the provisions of this
16 Act: *Provided, That in the case of checks issued by the Dis-*
17 *bursing Officers of the District of Columbia and the Dis-*
18 *bursing Officer of the Corps of Engineers in reference to*
19 *the disbursement of District funds, the Secretary of the*
20 *Treasury is authorized to transfer, at appropriate intervals,*
21 *from the accounts available for the payment of such unpaid*
22 *checks, to the general revenues of the District of Columbia,*
23 *any amounts not required for the payment of such checks:*
24 *Provided further, That as to such checks issued on or before*
25 *June 30, 1955, transfers to the general revenues of the Dis-*

1 *strict of Columbia shall be limited to the amount of undelivered*
2 *checks.”*

3 SEC. 3. (a) Section 2 of the Act of June 22, 1926
4 (44 Stat. 761; 31 U. S. C. 122) is hereby amended to read
5 as follows:

6 “SEC. 2. Hereafter all claims on account of any check,
7 checks, warrant, or warrants appearing from the records of
8 the General Accounting Office or the Treasury Department
9 to have been paid, shall be barred if not presented to the
10 General Accounting Office or the Treasurer of the United
11 States within six years after the date of issuance of the
12 check, checks, warrant, or warrants involved. However,
13 any claims for the proceeds of checks payable in Philippine
14 pesos heretofore issued in payment of claims certified by
15 the Philippine War Damage Commission, shall not be barred
16 if received by the representative of the Chief Disbursing
17 Officer, United States Treasury Department, at Manila,
18 Republic of the Philippines, within six years after the date
19 of issuance of such checks.”

20 (b) Section 1 of the Act of March 6, 1946 (60 Stat.
21 31; 31 U. S. C. 129) is hereby amended by inserting
22 immediately after the words “General Accounting Office”
23 the words “or the Treasurer of the United States”.

1 SEC. 4. Subsection (a) of section 3646 of the Revised
2 Statutes of the United States, as amended (31 U. S. C.
3 528 (a)), is hereby amended to read as follows:

4 “(a) Except as provided in this section, whenever it is
5 clearly proved to the satisfaction of the Secretary of the
6 Treasury that any original check of the United States is lost,
7 stolen, or wholly or partly destroyed, or is so mutilated or
8 defaced as to impair its value to its owner or holder, the
9 Secretary of the Treasury is authorized to issue to the owner
10 or holder thereof against funds available for the payment of
11 the original check a substitute showing such information as
12 may be necessary to identify the original check, upon re-
13 ceipt and approval by the Secretary of the Treasury of an
14 undertaking to indemnify the United States, in such form and
15 amount and with such surety, sureties or security, if any,
16 as the Secretary of the Treasury may require; but no such
17 substitute shall be payable if the original check shall first
18 have been paid: *Provided*, That nothing contained in this
19 section shall be deemed to relieve any certifying officer or
20 his sureties or any disbursing officer or his sureties of any
21 liability to the United States on account of any payment
22 resulting from the erroneous issuance of the original check.”

23 SEC. 5. (a) Subsection (c) of section 3646 of the

1 Revised Statutes of the United States, as amended (31
2 U. S. C. 528 (c)), is further amended by deleting the phrase
3 “prior to the expiration of ten years from the date on which
4 the original check was issued” and inserting in lieu thereof
5 “prior to the close of the fiscal year next following the fiscal
6 year in which the check was issued”.

7 (b) Subsection (e) of section 3646 of the Revised
8 Statutes of the United States, as amended (31 U. S. C.
9 528 (e)), is further amended by deleting the phrase “prior
10 to the expiration of ten years from the date on which the
11 original check was issued”.

12 (c) Subsection (f) of section 3646 of the Revised
13 Statutes of the United States, as amended (61 Stat. 310;
14 31 U. S. C. 528 (f)), is further amended to read as follows:

15 “(f) Substitutes issued under this section drawn on
16 the Treasurer of the United States shall be deemed to be
17 original checks and payable under the same conditions as
18 original checks”.

19 SEC. 6. Section 2 of the Act of July 11, 1947 (61
20 Stat. 309; 31 U. S. C. 133), and section 5 of the Act of
21 July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154),
22 are hereby repealed.

85TH CONGRESS
1ST SESSION

H. R. 8195

[Report No. 666]

A BILL,

To facilitate the payment of Government checks,
and for other purposes.

By Mr. Dawson of Illinois

JUNE 17, 1957

Referred to the Committee on Government Operations

JULY 1, 1957

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

United States to the former owners thereof, as amended.

The Clerk read, as follows:

Be it enacted, etc., That the Administrator of General Services shall convey without consideration to Martha V. Gilkeson and Damaris E. Gilkeson, Moorefield, W. Va., all right, title, and interest of the United States in and to the real property containing 9 acres, more or less, which is described in section 2 of this act.

SEC. 2. The real property referred to in the first section of this act, known as the Moorefield Fish Cultural Station, is the same property conveyed by deed dated the 21st day of March 1938, from Martha V. Gilkeson and Damaris E. Gilkeson to the United States of America, said deed recorded on the 2d day of June 1939 in the clerk's office of the county court of Hardy County, W. Va., the exact legal description of which shall be determined by the Administrator of General Services.

The SPEAKER. Is a second demanded?

Mr. MAY. Mr. Speaker, I demand a second.

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS. Mr. Speaker, this is a bill which would convey 8.9 acres of farmland, donated to the Federal Government, to the former owners. The bill came out of the Committee on Government Operations without any dissenting votes either in the subcommittee or the full committee.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

FISSIONABLE MATERIALS

Mr. BROOKS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8005) to provide for the conveyance of an interest of the United States in and to fissionable materials in a tract of land in the county of Cook, and State of Illinois, as amended.

The Clerk read as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to convey by quitclaim deed to the city of Chicago, a municipal corporation of the State of Illinois, all of the right, title, and interest of the United States in and to "fissionable materials," as defined by Executive Order No. 9701 issued March 4, 1946, in the tract of land in the county of Cook, State of Illinois, which was conveyed by quitclaim deed from the United States of America to the city of Chicago, recorded on March 22, 1946, in the office of recorder of deeds of Cook County, Ill., as Document No. 13747964; the exact legal description of such land shall be determined by the Administrator of General Services.

The SPEAKER. Is a second demanded? If not, the question is, Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

(By unanimous consent, at the request of Mr. BROOKS of Texas, Mr. O'BRIEN of Illinois was given permission to extend his remarks at this point in the RECORD.)

Mr. O'BRIEN of Illinois. Mr. Speaker, the purpose of H. R. 8005, which I introduced at the request of the mayor and corporation counsel of the city of Chicago, is to remove a technical objection that has been blocking the marketing of a bond issue of \$85 million for the improvement of O'Hare Airport in Chicago.

Under an arrangement advantageous to the city and to the Nation and as well to the Defense Department, the \$85 million bond issue for the further development and improvement of this most important airport will be retired from the earnings of the commercial airlines. In addition to the \$85 million, which as I have said ultimately will be repaid by the airlines without one cent of the burden falling on the taxpayers, the city of Chicago is putting in an additional \$15 million, raised by another bond issue, for the acquisition of adjacent lands to meet the demands for future expansion. O'Hare Airport when the planned developments and improvements are completed will be the largest and most important airport in inland America, servicing national and international commercial airlines and the flying craft of the Air Force of the United States. Needless for me to say, it is vital to the defense and security of the country, as well as to the national economic interest accruing from air transportation progress, that the plans go forward without delay. I wish to commend Mayor Richard J. Daley and the members of his municipal government, including Corporation Counsel Melaniphy, for conducting the negotiations and reaching the agreement whereby the cost of this most important development in the public interest will not come out of the pockets of the taxpayers.

The reason the enactment of H. R. 8005 is necessary is that the Atomic Energy Act of 1946, supplemented and expanded somewhat by executive orders, required that in all conveyances of lands by the Federal Government there should be reserved the right to fissionable materials. An amendment to the act in 1954 provided that such reservations should on application be rescinded. Since there was no longer need for such reservation, it was clearly the intention that the application of the 1954 amendment should cover all lands conveyed by the Federal Government, but the language used in the 1954 amendment was "public lands" and the question has never been judicially passed upon whether the term "public lands" in a strict technically legal sense is confined to lands of the public domain or includes acquired lands.

As the site of O'Hare Airport was acquired by the Federal Government during the war period and later given by the Federal Government to the city of Chicago for exclusive use as an airfield it is not land from the public domain.

As long as this technical question is undecided it is necessary for present

holders of land acquired not from the public domain by the Federal Government, and later transferred to them to come to the Congress for clarifying relief. In July of last year the Congress passed H. R. 9578, a bill similar to H. R. 8005, and which became a law of the 84th Congress. In that instance the owner of the land from which the reservation was removed was a private party and the use of the land was for a private purpose. In the present instance the owner of the land is a municipal corporation and the use of the land is for a public purpose and in the furtherance of national economic and military ends.

There is no objection from the Atomic Energy Commission and the General Services Administration since the retention of the reservations is no longer thought advantageous to the Federal Government.

I trust the bill will be passed and that later, as I understand is now in prospect, there will be general legislation making bills of the character of H. R. 8005 unnecessary.

(By unanimous consent, at the request of Mr. BROOKS of Texas, Mr. O'HARA of Illinois was given permission to extend his remarks at this point in the RECORD.)

Mr. O'HARA of Illinois. Mr. Speaker, my colleague and the beloved dean of the Illinois delegation, Mr. O'BRIEN, who is the author of H. R. 8005, has explained the bill and its purpose, and the reason for its introduction, with such clarifying completeness that nothing remains to be said. I trust the bill will pass unanimously.

There is one typographical error in the report, however, that in justice to the memory of a great American hero of World War II I would wish to correct. The report because of this typographical error refers to O'Hare National Airport as O'Hara National Airport. The airport is named in honor of the memory of a young man from Chicago who as a combat flyer gave his life in one of the outstanding feats of heroism in the war with Japan. He spelled his name O'Hare, and it is his name the airport bears.

DONATION OF CERTAIN RECORDS TO THE PHILIPPINE REPUBLIC

Mr. BROOKS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1141) to authorize and direct the Administrator of General Services to donate to the Philippine Republic certain records captured from insurgents during 1899-1903.

The Clerk read as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to transfer to the Government of the Republic of the Philippines, without compensation, the records captured by United States forces from the Philippine insurgents during the period 1899-1903 and now maintained as part of record group 94 in the National Archives of the United States.

SEC. 2. Before effecting such transfer, the Administrator of General Services shall cause to be made a microfilm copy of each document contained in such records which the

Secretary of State or his designated representative shall select for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated to the Administrator of General Services such sum, not exceeding \$35,000, as may be required to cover the costs of microfilming records and transporting the originals thereof to Manila in conformity with the provisions of this act.

The SPEAKER. Is a second demanded? If not, the question is, Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

(Mr. BROOKS of Texas asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROOKS of Texas. Mr. Speaker, S. 1141 directs the Administrator of General Services to transfer to the Philippine Republic those records captured by the United States forces from insurrectos during 1899-1903. These records are now maintained in the National Archives and the bill provides for the microfilming of those records which have historical significance. These microfilms would be maintained in our archives.

These captured records are hallowed historical documents of special value and great significance to the Republic of the Philippines. They detail the momentous beginnings of democracy in the islands, illuminating the desperate period when Filipinos first made very plain their budding desire for self-governing liberty.

More than a half century has passed since Admiral Dewey took Manila, and the whole world today knows the Philippines as a growing example of democracy successfully at work in the Far East, a flaming symbol of freedom in an Asia which has felt the dark menace of communism. The subject records prove that the Filipinos were striving for a democratic way of life even before United States forces challenged Spanish control of the Philippines.

Gen. Carlos P. Romulo, Philippine Ambassador to the United States, testifying before the General Government Activities Subcommittee, described the period 1899-1903 covered by these records as one of revolution, its principals now national heroes of the Filipinos.

General Romulo said the records prove that even before American troops came to the Philippines, the Filipinos were already fighting for democracy and the democratic way of life.

He said his nation is grateful that the American Government is willing to donate these records to them and feels it is another token of the friendship and good will the United States long has manifested toward the Philippines. They hope to have the records on the 4th of July 1957, 11th anniversary of Philippine independence.

Students and scholars of government also have indicated a great interest in these records. The bill provides that microfilm copies of the records to be transferred be retained by the National Archives to serve such research needs.

VINCENNES UNIVERSITY, VINCENNES, IND.

Mr. BROOKS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (S. 806) to authorize the Administrator of General Services to quitclaim all interest of the United States in and to a certain parcel of land in Indiana to the board of trustees for the Vincennes University, Vincennes, Ind.

The Clerk read as follows:

Be it enacted, etc., That (a) the Administrator of General Services is authorized and directed to convey by quitclaim deed, without consideration, to the board of trustees for the Vincennes University, Vincennes, Ind., all right, title, and interest in and to that parcel of land located in the city of Vincennes, Ind., title to which was vested previously in the city of Vincennes, Ind., by section 2 of the act of March 3, 1881 (21 Stat. 505), and which was authorized to be conveyed with certain reservations to the board of trustees for the Vincennes University by the act of June 30, 1944 (58 Stat. 645). The Administrator shall except from such conveyance that area of land within such parcel bounded by Third and Fourth Streets and Indianapolis Avenue and Hickman Street (now College Avenue).

(b) The Administrator shall withhold execution of the conveyance provided for in subsection (a) until he determines that the city of Vincennes, Ind., has released and conveyed to the board of trustees for the Vincennes University any right, title, and interest that such city may have in and to the parcel of land defined in subsection (a). In the event the city of Vincennes fails to release and convey such right, title, and interest within 6 months from the date of enactment of this act, the authority contained herein shall terminate and be of no further force or effect.

The SPEAKER. Is a second demanded?

Mr. MAY. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. Does the gentleman from Texas desire to be heard on his motion?

Mr. BROOKS of Texas. I do not desire to be heard on it, Mr. Speaker.

(Mr. BRAY, at the request of Mr. MAY, was given permission to extend his remarks at this point in the RECORD.)

Mr. BRAY. Mr. Speaker the purpose of this bill is quite simple and I believe the consideration of it can also be free from complexities. The bill is to remove certain reversionary restrictions on a part of the campus of the Vincennes University. To all intents and purposes, the Federal Government has lost its interest in this land which is used as a college campus. The Government has parted with title to it, except on the contingencies that the University must cease to use it for school purposes, and, in which event, the City of Vincennes should then cease to use it for park purposes. The Senate report itemizes the various transactions which have placed the deed to this small tract of land in its present predicament. Vincennes University currently is anxious to proceed with construction of a much needed school facility. To do so it must have title to this land completely free of even so remote a reversionary interest as the Federal Government has. The Bureau

of the Budget has no objections to this bill nor has the Comptroller General of the United States.

We are all aware of the severe strain on educational facilities at colleges and universities throughout the Nation. Vincennes University is a junior college on a community level which is doing much to meet the expanding need for this type of education. The enactment of this measure, which does not require any Federal expenditure and which relinquishes only a very nominal interest, will be of great assistance to Vincennes University in meeting the needs of its student body.

The bill also requires that the Administrator of General Services Administration shall withhold execution of the conveyance until he determines that the city of Vincennes has released and conveyed to Vincennes University the reversionary interest it has. In other words, the continued use of this land for educational purposes will be assured and I might add, that it is being used for such purposes now but will be of much more assistance to the university if they can obtain unrestricted title as this bill would allow.

I had introduced H. R. 5569 to accomplish the same purpose. I asked the committee to approve the Senate bill in order to speed the enactment of this legislation so important to Vincennes University.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PAYMENT OF GOVERNMENT CHECKS

Mr. McCORMACK. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8195) to facilitate the payment of Government checks, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132) is hereby amended to read as follows:

"That (a) All checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositories."

SEC. 2. Section 3 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134) is hereby amended to read as follows:

"Sec. 3. The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act: *Provided*, That in the case of checks issued by the disbursing officer of the District of Columbia and the disbursing officer of the Corps of Engineers in reference to the disbursement of District funds, the Secretary of the Treasury is authorized to transfer, at appropriate intervals, from the accounts available for the payment of such unpaid checks, to the general revenues of the District of Columbia, any amounts not required for the payment of such checks: *Provided further*, That as to such checks issued on or before June 30, 1955, transfers to the general revenues of the District of Columbia shall be limited to the amount of undelivered checks."

SEC. 3. (a) Section 2 of the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122) is hereby amended to read as follows:

"Sec. 2. Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within 6 years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of Philippines, within 6 years after the date of issuance of such checks."

(b) Section 1 of the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129) is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States."

SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)) is hereby amended to read as follows:

"(a) Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds

available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal year next following the fiscal year in which the check was issued."

(b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks."

SEC. 6. Section 2 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 133), and section 5 of the act of July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154) are hereby repealed.

The SPEAKER. Is a second demanded?

Mr. BROWN of Ohio. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, this is a very simple bill. If any Member wants to ask any questions about it, I shall be very glad to undertake to answer them.

Mr. GROSS. Is this similar to the bill H. R. 8195?

Mr. McCORMACK. This is H. R. 8195.

Mr. GROSS. I thought we were considering a Senate bill.

Mr. McCORMACK. There is no bill of this kind that has passed the Senate. There are certain minor committee amendments. This is merely to facilitate the payment of checks that have been outstanding for more than a year. This is a matter in relation to better service to the people and there will be some savings to the Government while bringing about greater efficiency at the same time.

Mr. GROSS. May I say to the gentleman I was under the impression that the House was considering a Senate bill and I was seeking to ascertain whether it was similar to the bill H. R. 8195.

Mr. McCORMACK. No; this is the House bill.

Mr. BROWN of Ohio. Mr. Speaker, the members of the Committee on Government Operations are unanimous in reporting out this bill. The purpose of this bill is to correct certain inequities

and the bill has been recommended by the Treasury and by the General Accounting Office.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

INTERNAL SECURITY ANNUAL REPORT FOR 1956

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (S. Con. Res. 22) to print for the use of the Senate Committee on the Judiciary additional copies of the internal security annual report for 1956 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary 75,000 additional copies of Senate Report No. 131, 85th Congress, entitled "Internal Security Annual Report for 1956."

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. LECOMPTE. Mr. Speaker, for the benefit of the membership I simply want to ask the gentleman from Ohio whether it is not true that 2 or 3 of these resolutions are resolutions of the other body.

Mr. HAYS of Ohio. That is correct.

Mr. LECOMPTE. Of course, the principle of comity between the two bodies practically compels us to pass these resolutions without any long-drawn-out debate.

Mr. HAYS of Ohio. That has always been the policy.

Mr. LECOMPTE. And the other resolutions, if I may speak at the moment concerning the several resolutions which the gentleman from Ohio expects to call up at this time are mostly resolutions from committees of the House asking for documents to be printed for the use of the committees; is that not correct? And of the total cost probably the three Senate resolutions cost far in excess of the amount estimated for the others.

Mr. HAYS of Ohio. That is correct.

Mr. LECOMPTE. The House resolutions constitute the greater part of this group of resolutions and all were passed out of the Committee on House Administration by unanimous vote.

Mr. HAYS of Ohio. That is the case in all except one or two instances, and I will speak about those when we get to them.

Mr. LECOMPTE. I thank the gentleman.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

THE INTERNATIONAL PETROLEUM CARTEL

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (S. Con. Res. 26) to print ad-

ditional copies of the report entitled "The International Petroleum Cartel," and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 3,000 additional copies of the report entitled "The International Petroleum Cartel," a staff report to the Federal Trade Commission submitted to the Subcommittee on Monopoly of the Senate Committee on Small Business, which was printed as a committee print during the 82d Congress, 2d session. Such additional copies shall be for the use of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

COMPILATION OF STUDIES AND REPORTS ON THE FOREIGN-AID PROGRAM

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (S. Con. Res. 30) to print a compilation of studies and reports on the foreign-aid program, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program, created by Senate Resolution 285, agreed to July 11, 1956, as amended by Senate Resolution 35, agreed to January 30, 1957.

Sec. 2. There shall be printed 8,000 additional copies of such Senate document. Such additional copies shall be for the use of the Special Committee To Study the Foreign Aid Program.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FOREIGN TRADE INTERESTS IN THE STATE OF MICHIGAN

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 240) authorizing the printing of the manuscript, Foreign Trade Interests in the State of Michigan, as a House document, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the manuscript entitled "Foreign Trade Interests in the State of Michigan," prepared by the Library of Congress, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INTERNAL REVENUE ADMINISTRATION, PROGRESS REPORT OF THE SUBCOMMITTEE ON INTERNAL REVENUE TAXATION

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 266) providing for printing additional copies of a study entitled "Internal Revenue Administration, Progress Report of the Subcommittee on Internal Revenue Taxation" and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Ways and Means, House of Representatives, 3,000 additional copies of a study entitled "Internal Revenue Administration, Progress Report of the Subcommittee on Internal Revenue Taxation," to the Committee on Ways and Means, issued by said committee during the 85th Congress, 1st session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON INTERGOVERNMENTAL RELATIONS

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 278 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for use of the Committee on Government Operations 2,700 additional copies of the report on intergovernmental relations made by that committee pursuant to a study of State and local governments.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 135, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the publication entitled "Guide to Subversive Organizations and Publications" prepared by the Committee on Un-American Activities, House of Representatives, 84th Congress, 2d session, be printed as a House document; and that there be printed 60,000 additional copies of said document, of which 40,000 copies shall be for the use of said committee and 20,000 copies to be prorated to the Members of the House of Representatives for a period of 90 days after which time the unused balance shall revert to the Committee on Un-American Activities.

The SPEAKER. The question is on agreeing to the resolution.

Mr. HAYS of Ohio. Mr. Speaker, I would like to state for the RECORD that there was some discussion of this resolution in the committee and there was some objection to it, although it was subsequently reported out by an almost unanimous vote. The objection came about because there had been some criticism by the press that our subcommittee was holding up on this resolution and copies were not available to people who wanted them. Some members of the committee called the Government Printing Office and found there were some 5,000 copies down there for sale. They felt that we should not come out with this resolution until that supply was exhausted. However, the full committee ordered the subcommittee to make a study of matters of this kind with a view to setting up some rule for the future, and then with, I believe, only one dissenting vote the committee reported out this resolution.

The SPEAKER. The question is on the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SOVIET TOTAL WAR

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 136, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That volumes I and II of the publication entitled "Soviet Total War" prepared by the Committee on Un-American Activities, House of Representatives, 84th Congress, 2d session, be printed as a House document; and that there be printed 5,000 additional copies each of volumes I and II for the use of said committee.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRIAL BY TREASON

Mr. HAYS of Ohio. Mr. Speaker, I call up the resolution, House Resolution 189, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the publication entitled "Trial by Treason" prepared by the Committee on Un-American Activities, House of Representatives, 84th Congress, 2d session, be printed as a House document; and that there be printed 4,000 additional copies of this document for the use of said committee.

The SPEAKER. The question is on the resolution.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued July 3, 1957

For actions of July 2, 1957

85th-1st, No. 115

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate agreed to bill to delete certain peanut picker statistical reports. Senate received nomination of Paarlberg to be Assistant Secretary. Conferees agreed to file report on bill to extend Public Law 480. House Rules Committee cleared bill to extend Reorganization Act.

HOUSE

1. SURPLUS DISPOSAL; FOREIGN TRADE. The conferees agreed to file a conference report on S. 1314, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). p. D611
2. ORGANIZATION. The Rules Committee reported a resolution for consideration of H.R. 8364, to amend the Reorganization Act of 1949 so as to make the Act applicable to reorganization plans transmitted to Congress at any time before June 1, 1959. p. 9693
3. MILITARY CONSTRUCTION. The Rules Committee reported a resolution for consideration of H.R. 8240, to authorize certain construction at military installations, including a provision for the use of foreign currencies acquired under Public Law 480 for the construction of military family housing units in foreign countries. p. 9693
4. CIVIL DEFENSE. The Armed Services Committee ordered reported H.R. 7576, to amend the Federal Civil Defense Act of 1950 so as to provide for contributions to the States for certain civil defense purposes. p. D610

5. ELECTRIFICATION. A subcommittee of the Interior and Insular Affairs Committee recommended to the full Committee that H.R. 5, to authorize the construction of the Hells Canyon Dam, not be reported. p. D610
6. CCC GRAIN. The Merchant Marine and Fisheries Committee considered and tabled H.R. 6959, to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the augmentation of natural food supplies for migratory waterfowl by requisitioning grain from CCC for supplying such agencies to feed such waterfowl. p. D611
7. PUBLIC RECORDS. The Judiciary Committee ordered reported with amendment H.R. 7915, to require the consent of the Attorney General to produce certain public records in any civil or criminal proceeding. p. D610
8. FARM PROGRAM. Rep. McGovern criticized certain statements made by Rep. Berry concerning responsibility for the level of price supports for agricultural commodities. p. 9679
9. ACCOUNTING. Passed with amendment S. 1799, to facilitate the payment of Government checks, after substituting the language of a similar bill, H.R. 8195, which passed the House on July 1. p. 9680
10. FOREIGN AID. Received from the Director of ICA an interim report on major changes in the mutual security program as required by Public Law 665, 85th Congress. p. 9693
11. ADJOURNED until Fri., July 5. No business is to be transacted on Fri. and the House will adjourn over to Mon., July 8. pp. 9680, 9693

SENATE

12. PEANUTS. Agreed to the House amendment to S. 609, to delete certain reports from persons owning or operating peanut picking or threshing machines. (p. 9764) This bill will now be sent to the President.
13. NOMINATIONS. Received the nomination of Don Paarlberg to be Assistant Secretary of Agriculture for Marketing and Foreign Agriculture. p. 9771
14. APPROPRIATIONS. Passed with amendments H.R. 7665, the Defense Department appropriation bill for 1958. Conferees were appointed. pp. 9709, 9733-64
15. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 977, to suspend and modify the application of the excess land provisions of the Federal reclamation laws to lands in the East Bench unit, Missouri River Basin project (S. Rept. 574). p. 9698
16. PERSONNEL. Sen. Morton urged enactment of S. 2317, to establish a commission to study the compensation of Federal employees, pointing to the value of the Cordiner Committee's report. p. 9701
17. WHEAT; SOIL BANK. Sen. Neuberger expressed his misgivings about the soil bank program, urged a two price plan for wheat instead, and inserted an article "Soil Bank Proves Costly in Wheat." pp. 9770-1



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House of Representatives

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou eternal and gracious spirit, we know that for guidance and understanding, for patience and perseverance, for joy and peace, we need the wisdom and strength of the Lord God Almighty.

Grant that daily, in this Chamber, we may bear witness that we are coveting and cultivating earnestly those ideals and principles which are curative and creative in the building of a nobler civilization.

Give us a glorious vision of the kingdom of truth and righteousness and may we make its consummation and fulfillment the object of all our hopes and labors.

Hear us in the name of the Captain of our salvation. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2420. An act to extend the authority for the enlistment of aliens in the Regular Army, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5728. An act to clarify the general powers, increase the borrowing authority, and authorize the deferment of interest payments on borrowings of the St. Lawrence Seaway Development Corporation.

COLOMBIA'S STORY

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, a nation of 12 million inhabitants last May

emerged from 8 years of dictatorship and is now on the road to democracy. This nation, Colombia, from which I lately returned, needs and deserves the full and enthusiastic support of the United States.

During the dictatorship, 200,000 Colombians were killed. Yet the Conservative and Liberal Parties united last March to organize passive resistance to the dictator, Rojas Pinilla, and force his downfall with a minimum of bloodshed. Great credit must also be given to the Colombian Catholic clergymen, especially to the courageous and distinguished Cardinal Luque, who dared publicly to speak out against the dictator's crimes.

The dictator is gone. The press, including the great *El Tiempo*, is again free. The political parties have agreed to lay aside partisanship during the transition period. The military junta has declared itself to be only an interim government and has pledged that free elections will be held in due course.

Dr. Eduardo Santos, former President of Colombia and the owner of *El Tiempo*, asked me to tell Colombia's story in the United States, this story of a fine people emerging from the degradation of dictatorship into the dignity and decency of democracy.

Mr. Speaker, it is in our best interest and in conformity with our oldest traditions to foster democracy all over the world. Certainly, in this crucial period of transition in Colombia, we should make haste to provide generous support: moral, intellectual, and financial.

THE FARM PARITY PROGRAM

(Mr. McGOVERN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McGOVERN. Mr. Speaker, in last Friday's issue of the CONGRESSIONAL RECORD, my distinguished colleague from South Dakota [Mr. BERRY], whom I had notified I would speak today, charged that the Democratic Congress, rather than the Secretary of Agriculture, is responsible for the current crisis in agriculture. Said Mr. BERRY:

If the Democratic Party really wants a program of farm supports at 90 percent of parity, they can pass a law providing supports at that level, and the Secretary of Agriculture has no alternative, except to put that law into effect.

Now, Mr. Speaker, there can be no doubt of my South Dakota colleague's knowledge of Secretary Benson's activities. Within the last 60 days the administrative assistants of two members of my State's congressional delegation, including Mr. BERRY's assistant, have joined Mr. Benson's personal staff. I do not, therefore, question our colleague's ability to defend Mr. Benson, but I do question his interpretations of who is responsible for the failure of the 90 percent of parity farm bill. It is difficult to understand how our colleague could have forgotten that only a year ago the Democratic Congress passed a 90 percent of parity farm bill.

Unfortunately, the President vetoed that bill in spite of his 1952 pledge at Brookings, S. Dak., that he would continue the Democratic 90 percent of parity farm program. Now I am wondering if our colleague can give us any reason at all to think that the President has had a change of heart and would now sign farm legislation of the type he vetoed last year. Just to keep the record straight, it should be pointed out that the Secretary of Agriculture is now authorized by the Congress to set farm price supports at 90 percent of parity.

METALS CRISIS DEEPENS

(Mr. EDMONDSON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. EDMONDSON. Mr. Speaker, today's edition of the Wall Street Journal carries news of continued worsening of the already grave metals price situation confronting our Nation's miners, a situation which daily adds to the long list of mine shutdowns across the Nation.

According to the Journal article, the domestic price for zinc in this country has now fallen to 10 cents a pound, the lowest price on zinc since May of 1954.

Significantly, zinc prices in this country have fallen the disastrous total of

3½ cents since May 6 of this year, one of the most precipitous price declines in history.

At the same time, and indicating the scope of the problem, copper prices both here and abroad have fallen to the lowest point in 4 years.

The Wall Street Journal says the zinc price emergency stems from several causes:

First. World overproduction.

Second. Sharply curtailed demand.

Third. Reduced Government purchases of zinc through its domestic buying program and its barter deals for foreign origin zinc and lead in return for surplus agricultural products.

An additional factor within the United States, not mentioned in the Journal, is the continued heavy volume of imported zinc appearing upon the United States market, which has been coming into our country at a record-breaking rate for many months.

This is a problem on which representatives of mining States are urgently requesting consideration by the House Ways and Means Committee, which has before it a number of bills aimed at metal import control or reduction.

Unless some action is taken soon, by either the Congress or the administration, this Nation may soon be a world power without a domestic metal mining industry, and no world power in that condition has ever survived as a world power.

THE LATE GENERAL PIERRE JACOBSEN

(Mr. WALTER asked and was given permission to address the House for 1 minute.)

Mr. WALTER. Mr. Speaker, it is my sad duty to inform the House of the sudden, tragic death of a great international public official, Gen. Pierre Jacobsen, Deputy Director of the Intergovernmental Committee for European Migration, who was killed yesterday in Geneva, Switzerland, when a train struck his car at a grade crossing.

Many Members of the House knew well Pierre Jacobsen and many of us who had the privilege of working with him since 1947 had become not only fond of him but learned to admire his unusual capabilities and his devotion to the high office with which many nations had unanimously entrusted him.

Pierre Jacobsen was a native of Denmark, where he was born in 1917. He acquired French citizenship and served with General de Gaulle's resistance forces with courage that became legendary in the famous French Maquis. He was raised to the rank of a General of the French Army, the youngest Frenchman ever to attain that rank.

At the end of the war, Pierre Jacobsen joined the International Refugee Organization serving first in Germany and then in Geneva, Switzerland. His great heart and his enlightened humanitarianism was placed at the disposal of the suffering masses of people known to the world as displaced persons.

When we created the Intergovernmental Committee for European Migration in Brussels, Belgium, in 1951, we were fortunate indeed to obtain the services of Pierre Jacobsen. The 27 nations which are now banded together in the ICEM mourn the death of their great servant and the refugees and migrants of the whole world realize well what a terrible loss they have suffered.

We, the Members of Congress who have been associated with the international migration movements realize that we have lost not only a wonderful friend and a great international official, but also a human being whose departure will deprive the world of a man who knew what international cooperation is and what are its responsibilities.

I wish to express my deepest sympathy to the bereaved family of Pierre, and to France and Denmark alike, two countries which have lost a son and an adopted son, respectively, a son who has added to the glory of both countries.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Maryland.

Mr. HYDE. Mr. Speaker, I should like to join with the gentleman from Pennsylvania in his expression of sympathy to the family of Pierre Jacobsen and the expression of deep regret at his loss. His loss is not only a great one to his country but to the world. I had the opportunity to meet Mr. Jacobsen on several occasions. I was greatly impressed with his ability and devotion to duty. In these troublesome times the world can ill afford to lose a statesman of his character.

ANNOUNCEMENT

(Mr. KNOX asked and was given permission to address the House for 1 minute.)

Mr. KNOX. Mr. Speaker, I take this time to inform the Chair that on page 9559 of yesterday's RECORD, rollcall No. 131 shows that I was not present when the roll was called. My colleague from Virginia [Mr. HARDY] and my colleague from Michigan [Mr. MEADER] and I were attending a committee meeting and the three of us came here together. I answered present when my name was called, and I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERSONAL EXPLANATION

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to correct the RECORD on page 9550 of July 1, rollcall No. 129, which shows me being absent. I was present and answered to my name at that time.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMITTEE ON RULES

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT TO FRIDAY AND MONDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Friday next, and that when the House meets on Friday next it adjourn to meet the following Monday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FACILITATE THE PAYMENT OF GOVERNMENT CHECKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1799) to facilitate the payment of Government checks, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, an identical bill, with the exception of one amendment, passed the House on yesterday under suspension of the rules. I was not aware at the time that a similar Senate bill was on the Speaker's desk, and that is the reason for this action. I move to strike out all after the enacting clause of the Senate bill and to substitute therefor the text of the House bill (H. R. 8195) as it passed the House on yesterday.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all after the enacting clause of S. 1799 and insert the text of H. R. 8195 as passed by the House.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5728) to clarify the general powers, increase the borrowing authority, and authorize the deferment of interest payments on borrowings of the St. Lawrence Seaway Development Corporation, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued August 20, 1957
For actions of August 19, 1957
85th-1st, No. 150

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HIGHLIGHTS: (See Page 6.)

SENATE

1. SUPPLEMENTAL APPROPRIATION BILL, 1958. Passed with amendments H.R. 9131, the supplemental appropriation bill for 1958. The committee amendments were adopted en bloc (pp. 13795-7). Agreed to an amendment by Sen. Williams (on behalf of himself and Sen. Humphrey) to provide \$3.5 million for poultry inspection to be effective upon enactment of S. 1747, the poultry inspection bill (p. 13832). Agreed to an amendment by Sen. Sparkman to provide \$300,000 for farm housing research to be conducted by the land-grant colleges through grants from the Housing and Home Finance Agency (p. 13832). Agreed to an amendment by Sen. Hayden to ratify obligations from this bill for the period from July 1, 1957 until enactment (p. 13797). Senate conferees were appointed. pp. 13794-7, 13808-29, 13832, 13833-7
2. POULTRY INSPECTION. Agreed to the conference report on S. 1747, the poultry inspection bill. This bill will now be sent to the President. pp. 13829-31
3. COMMITTEES; ACREAGE ALLOTMENTS; FEED GRAINS. The Agriculture and Forestry Committee reported the following bills:
Without amendment, H.R. 8508, providing for the election of two county committees in certain counties (S. Rept. 1040);

With amendments, H.R. 8030, to eliminate the requirement that notice of intention not to plant the full acreage allotted must be filed with the county committee in order for a farmer to receive credit for future acreage allotment purposes (S. Rept. 1039); and

With amendment, H.R. 2486, to authorize CCC to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under the emergency feed program (S. Rept. 1041). p. 13760

4. DISASTER RELIEF; COTTON. The Agriculture and Forestry Committee ordered reported without amendment the following bills:

S. 304, to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers in disaster areas; and

S. 314, to assist the U. S. cotton textile industry in regaining its equitable share of the world market. p. D796

5. ACCOUNTING. Concurred in the House amendment to S. 1799, to change various legal provisions so as to facilitate the payment of Government checks. This bill will now be sent to the President. pp. 13794-5

6. ORGANIZATION. Senate conferees were appointed on S. 1791, to extend the Reorganization Act of 1949 to apply to reorganization plans submitted before June 1, 1959. House conferees have not been appointed. p. 13795

7. FARM PROGRAM. Sen. Humphrey inserted a letter from Leon Keyserling stating he had not advocated a reduction in the number of family-type farms and inserting a statement by the Conference on Economic Progress, "Statement in Answer to Misrepresentations About Full Prosperity For Agriculture." pp. 13801-3

8. REA LOANS. Sens. Carroll, Humphrey, Allott, Kefauver, Langer, and Chavez, discussed charges that REA loan authority has been transferred to the Office of the Secretary, and the request of the Government Operations Committee that Secretary Benson testify in response to such charges. Sen. Carroll inserted a news article, "Hamil's Authority Over REA Now Subjected to Review." pp. 13803-7

9. INTEREST RATES. Sen. Humphrey criticized the administration's policy on interest rates and inserted a letter from the Minn. School Board Ass'n urging a study of the high interest rates on school construction bonds and an article, "Ike Probe Asked of School Bond Charges." pp. 13798-9

Sens. Humphrey and Kerr discussed the administration's role in raising interest rates on loans, and criticized the Secretary of the Treasury for "flexing" interest rates up, and the Secretary of Agriculture for "flexing prices of agricultural products down." pp. 13799-801

10. WATER RESOURCES. Concurred in the House amendments to S. 1556, granting consent to the Little Missouri River compact. This bill will now be sent to the President. p. 13803

11. HOUSING. Agreed to the conference report on H.R. 8240, the military housing construction authorization bill, including a provision for the use of foreign currencies acquired under Public Law 480, for the construction of military family housing units in foreign countries (pp. 13832-3). The House received the conference report but did not act upon it (H. Rept. 1193) (pp. 11873-82).

mere loose confederation or, worse still, into a transparent false front?

The signs of decay are plain to be seen by any one who spends much time, as this reporter has lately been doing, in England and France. There are plenty of these signs, such as the prevalence of a vague but captious anti-Americanism, the specific and widespread distrust of the present American leadership, including President Eisenhower himself, and the almost universal, personal detestation of Secretary of State John Foster Dulles (who is now the most disliked man in Europe since Josef Stalin).

The desire to be liked is the worst of all follies in foreign relations. Hence these surface signs of Western disunity might safely be ignored if it were not for one practical point of high importance. The increasing distrust of the American leadership is increasingly causing serious policy divergencies among the Western Allies.

Great efforts have been made, notably by Secretary Dulles, to plaster over the underlying disunity with an appearance of concord. But the policy divergencies are there, none the less. They are getting worse. And it is time to ask the reason for this distrust of the American leadership that is so weakening the West.

In the opinion of this reporter, there is one main reason. The American leadership is now distrusted because the Eisenhower administration has seemed so totally uninterested in the central problem confronting our British and French allies. This is the problem of their changing power status. These two great nations once led the civilized world. Today, they are more and more reduced to powers of the second rank. They, and we too, have to decide what to do about this decline in their power.

The problem comes in two parts. The first and most obvious part is the progressive loss of the British and French imperial and colonial position. Despite the glib slogans so often quoted, empires are still possible to maintain intact—witness Hungary. But the British, who very carefully made a Hungary in India just a hundreds years ago, when mutiny was drowned in a bath of blood, have now lost the stomach for this sort of thing. And so have the French.

All the same, neither the British nor the French like to face these unpleasant facts—though they are always complaining of American pressure, or in the case of the French in north Africa. American plots. We tend to be blamed, in fact, for results that were unavoidable in any case, given modern, civilized westerners' distaste for making Hungarys.

As for the second part of this problem of our allies' changing power status, it goes even deeper. It stems from the simple fact that only a giant national economy can afford the gigantic expenditures needed to maintain a complete panoply of fully modern weapons.

As a case in point, consider the British defense program as elaborated by the new Minister of Defense, Duncan Sandys, since the end of the Suez crisis. This program is squarely based on distrust of the United States. America, Sandys argued, cannot be trusted to stand by her trans-Atlantic allies when American cities are directly threatened by Soviet ballistic missiles with H-bomb warheads. Hence Britain, to defend herself and Europe, must sacrifice everything to possess her own thermo-nuclear deterrent.

Starting with this premise, the Sandys program will leave Britain almost fully naked of the conventional armed forces Britain still needs to protect her still-considerable overseas interests. In this way, too, the program will seriously weaken NATO. All this will be done in order to make funds available for the British grand deterrent.

But in fact, even after these sacrifices, Britain almost certainly cannot afford to

keep the grand deterrent up to date without a far larger outlay than Sandys contemplates. But the time Britain has long-range aircraft with H-bombs, Britain will actually need long-range aircraft plus H-bombs plus air-to-ground missiles to carry the H-bomb from the aircraft to their distant targets. The ballistic missile state will come after that. And at every stage, the strain of keeping really abreast of these fantastically costly weapons developments will be too great for the British Treasury.

In sum, the new British defense program is an instinctive rather than a rational reaction to one part of the problem of Britain's changing power status. By the same token, another part of this same problem provoked an almost wholly instinctive reaction as Suez.

"Well, whose fault is that?" would most probably be the Eisenhower administration's comment. But this is a wholly insufficient comment from the leading power of the West. Britain and France cannot make wise adjustments to their new roles in the world without American wisdom to help them. The United States, above all, has got to make two things clear.

We have got to make it clear that we really are determined to safeguard all our allies' interests which it is humanly possible to safeguard (although not to the extent of trying to maintain impractical colonial situations). More important still, we have got to make it clear that the Western Alliance really is an alliance, a true partnership. And for this such measures are needed as an amendment of the MacMahon Act, to permit a sensible distribution of the tasks of common defense.

If we do not do these things, then, "Save yourselves and the devil take the hindmost," will soon be the watchword inside Western Alliance. And the United States will then suffer quite as much as all the other allies.

EIGHTY-SEVENTH BIRTHDAY OF BERNARD M. BARUCH

M. JAVITS. Mr. President, I wish to take some of the time of the Senate to congratulate a very great man, Bernard Baruch, whose birthday is today and of whom we in New York are very proud. Today he is 87 years of age.

I should like to quote only one sentence from his traditional birthday interview, which is now almost historic in our country. He said:

If I had one wish to be granted me, I should like to see a start made toward permanent peace in the world.

Mr. President, considering Mr. Baurch's considerable contributions to the Baruch plan, which remains the fundamental basis for American policy with respect to disarmament as it affects the atom bomb and other weapons of major destruction, I think Mr. Baruch is one man who has a right to make that statement. I hazard the guess that all of us would hope to live so many honored years and to have at his age the brightness of mind, the sprightliness and spirit, and the idealism reflected in that statement alone.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the editorial entitled "Congratulations to a Great Man," which was published this morning in the New York Herald Tribune, in extending congratulations to Mr. Baruch; and I also ask unanimous consent to have printed at this point in

the RECORD the news story from the New York Times of today.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of August 19, 1957]

CONGRATULATIONS TO A GREAT MAN

Bernard M. Baruch is 87 years old today. A little rapid calculation will show that he was born in 1870, only 5 years after the end of the American Civil War, when the world was far different from the world we know today. Generations have come and gone, nations have fallen and risen, the United States has undergone an unparalleled transformation. Yet through it all Bernard Baruch has remained a fixed point of sagacity, generosity, and kindliness. Particularly in recent years have his birthdays been an occasion for rejoicing and felicitations in which the leaders of men and the masses of men join.

One can sense Mr. Baruch's unique place on the American scene from the affectionate titles which have been bestowed upon him. "Adviser to Presidents," "elder statesman," "park-bench philosopher"—these friendly appellations are applied in a quite literal way to Mr. Baruch, and they are quite as accurate in the nuclear age as they were in bygone eras.

Bernard Baruch remains today what he was years ago—the genius of common sense. It is a quality that has stood him—and through him, his country—in good stead through years of strife and struggle and of wrestling with momentous problems. If his counsel has been sought—and accepted—by one President of the United States after another, surely it is because of this pervading quality of horsesense and reasonableness. Changing fads, fashions and fancies have in no wise diminished Mr. Baruch's enviable ability to cut through the heart of the matter to essentials, to propose courses and offer counsel that make sense.

Mr. Baruch's faith in America's future is as unshakable as his belief in the principles that have made this country great. He has never succumbed to despair or to pessimism. And the personification he himself offers of the thinking, sensitive man strengthens the confidence of others in humanity's capacity to win through to brighter days. It is an honor to be a contemporary of Bernard Baruch, and to salute him as he reaches another milestone in a great career.

[From the New York Times of August 19, 1957]

BARUCH, 87, LONGS FOR WORLD PEACE—HIS ONE WISH IS TO SEE A START WITH HIS ATOMIC PLAN OR SOMETHING LIKE IT—URGES UNITED GERMANY—ALSO WARNS THAT INFLATION MUST BE HALTED THROUGH THE HELP OF EVERYONE

(By Ira Henry Freeman)

OLD WESTBURY, LONG ISLAND, August 18.—At the age of 87, Bernard Baruch's dearest wish is to see the dawn of world peace.

On the eve of his birthday, the financier and adviser to Presidents discussed here today war and peace, control of atomic energy, the future of Germany, inflation, the stock market, and superfluous birthdays.

"If I had one wish to be granted me, I should like to see a start made toward permanent peace in the world," he said at the home of a friend, Mrs. Robert Low Bacon, where he is visiting. "Agreements between nations will not guarantee it.

"There must be an international authority which owns all the natural resources and fissionable materials required to wage atomic war. The authority must also have control of the necessary scientific and metallurgical processes."

WANTS BOMBS MADE HARMLESS

"Then all the world's atom bombs must be handed over to the authority for debombing. The danger of contamination by fallout is thus eliminated because there would be no testing of atomic weapons. All atomic energy will be utilized for peaceful purposes."

That was the essence of the Baruch plan for atomic control, which the Soviet Union rejected.

"They will come to it, or something like it, in the end," Mr. Baruch continued confidently. "I believe that public opinion, the Russian people, will eventually force their leaders to approve it."

The reunification of a peaceful, neutral Germany also is essential to peace between the Soviet and the North Atlantic Treaty powers, Mr. Baruch said, adding:

"The Russians are afraid of Germany, because a strong, united Germany can knock the stuffing out of them. But it is as important to us to keep Germany out of Russia's hands as it is to them to keep Germany out of our hands. Don't ask me how without war."

THE DANGER OF INFLATION

On the domestic scene, inflation remains the greatest danger, in Mr. Baruch's opinion.

"Inflation means spending money for something unproductive or nonessential," he said, wagging a long finger. "Spending money for development of resources, or adding real wealth, promoting the health, education, or security of the people is not inflationary. We are all guilty of not controlling inflation—you, me, everybody. Not just the politicians. Although they all say we should—too late. Why don't they do it when they have the power?"

"I warned against removing price controls too soon after World War II. Your paper—the New York Times—was as active in beating down that proposal as anybody."

"More recently George Humphrey warned that the Government was spending too much money. He was Secretary of the Treasury for 4 years; why didn't he do something about it then? But none of us are willing to discipline ourselves. Control the other fellow, we say."

"Now don't make me sound like Old Citizen Fix It, telling everybody what's wrong with everything and how to improve it."

AS ENERGETIC AS EVER

The famous stock market trader and Government fiscal expert is still as keen, outspoken, and energetic as ever. He still thinks fast, talking to the point and in a rush, while his hands make vigorous gestures that recall his youth as an amateur boxer. His bony, 6-foot-3 frame may bend slightly now, but he walks like a young man, rides gaily about the grounds on a golf cart, and swims in a pool every day.

Telegrams of congratulation from the great and nongreat who are his friends have begun to arrive from all over the world. But he prefers not to discuss them.

The first volume of his autobiography, carrying his life story up to World War I, will be issued tomorrow.

"I tried to write of the past with no bull as I lived it, because of the lessons it may teach young people today," he said. "The past is only of value as it guides us tomorrow."

Mr. Baruch will spend tomorrow quietly, working on the second volume and handling his own correspondence. He will be visited by his children—Mrs. Belle Wilcox, Mrs. Rene M. Samstag, and Bernard M. Baruch Jr. But there will be no party.

"Who the hell wants to celebrate an 87th birthday," he demanded. "That's all right for youngsters of 60 or 70."

The PRESIDING OFFICER. Is there further morning? If not, morning business is closed.

SUSPENSION OF CALL OF THE CALENDAR TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar of bills to which there is no objection, under rule VIII, be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS, 1958

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is House bill 9131, making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of that bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Gore	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hickenlooper	Murray
Beall	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bible	Hruska	Pastore
Bricker	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Robertson
Byrd	Javits	Russell
Carlson	Jenner	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Clark	Knowland	Smith, N. J.
Cooper	Kuchel	Sparkman
Cotton	Langer	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Frear	McClellan	Yarborough
Fulbright	McNamara	Young
Goldwater	Monroney	

Mr. MANSFIELD. I announce that the Senator from Texas [Mr. JOHNSON] and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGSEN] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine

[Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS] is necessarily absent.

The Senator from West Virginia [Mr. REVERCOMB] is absent on official business.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

FACILITATION OF PAYMENT OF GOVERNMENT CHECKS

Mr. McCLELLAN. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to S. 1799.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1799) to facilitate the payment of Government checks, and for other purposes, which was to strike out all after the enacting clause and insert:

That section 1 of the act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132), is hereby amended to read as follows:

"That (a) all checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such checks shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries."

Sec. 2. Section 3 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134), is hereby amended to read as follows:

"Sec. 3. The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is fur-

ther authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act: *Provided*, That in the case of checks issued by the disbursing officers of the District of Columbia and the disbursing officer of the Corps of Engineers in reference to the disbursement of District funds, the Secretary of the Treasury is authorized to transfer, at appropriate intervals, from the accounts available for the payment of such unpaid checks, to the general revenues of the District of Columbia, any amounts not required for the payment of such checks: *Provided further*, That as to such checks issued on or before June 30, 1955, transfers to the general revenues of the District of Columbia shall be limited to the amount of undelivered checks."

SEC. 3. (a) Section 2 of the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122), is hereby amended to read as follows:

"SEC. 2. Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within 6 years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within 6 years after the date of issuance of such checks."

(b) Section 1 of the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129), is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States."

SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)), is hereby amended to read as follows:

"(a) Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal year next following the fiscal year in which the check was issued."

(b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks."

SEC. 6. Section 2 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 133), and section 5 of the act of July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154), are hereby repealed.

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to S. 1791.

AMENDMENT OF REORGANIZATION ACT OF 1949, AS AMENDED

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1791) to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959, which was, to strike out all after the enacting clause and insert:

That subsection (b) of section 5 of the Reorganization Act of 1949 (63 Stat. 205; 5 U. S. C. 133 z-3), as last amended by the act of March 25, 1955 (69 Stat. 14), is hereby further amended by striking out "June 1, 1957" and inserting in lieu thereof "June 1, 1959."

SEC. 2. Subsection (a) of section 6 of the Reorganization Act of 1949 (63 Stat. 205; 5 U. S. C. 133 z-4) is amended by striking out ", by the affirmative vote of a majority of the authorized membership of that House."

Mr. McCLELLAN. Mr. President, I move that the Senate disagree with the House amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to; and the Presiding Officer appointed Mr. HUMPHREY, Mr. SYMINGTON, Mr. THURMOND, Mr. YARBOROUGH, Mrs. SMITH of Maine, Mr. MARTIN of Iowa, and Mr. CAPEHART conferees on the part of the Senate.

SUPPLEMENTAL APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year

ending June 30, 1958, and for other purposes.

Mr. HAYDEN. Mr. President, the committee considered budget estimates totaling \$1,973,767,827, which includes \$113,018,860 that was not considered by the House of Representatives.

The bill as reported by the Committee on Appropriations recommends appropriations totaling \$1,820,351,547 which is an increase of \$238,760,960 over the House bill, and a decrease of \$153,416,280 under the budget estimates.

Two items account for more than \$200 million of the increase over the House bill. They are, first, Small Business Administration, \$100 million. This estimate was not considered by the House; and second, military construction, \$104 million.

The action of the committee with respect to each appropriation is set forth in the report accompanying the bill.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc; that the bill, as thus amended, be regarded for purposes of amendment as the original text; and that no point of order shall be considered to have been waived by agreement to this request.

Mr. MONRONEY. Mr. President—The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Oklahoma?

Mr. HAYDEN. I yield.

Mr. MONRONEY. Would the Senator agree to a separate vote on the matter involving \$12,500,000?

Mr. HAYDEN. That may be done under the request I am making. I have no objection to that.

Mr. MONRONEY. Could we have a separate vote on the Burke Airport item?

Mr. HAYDEN. There can be no question about that. There would be no objection to that procedure.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

At the top of page 2, to insert:

"CHAPTER I

"DEPARTMENT OF AGRICULTURE

"Agricultural Research Service

"Salaries and Expenses

"Plant and animal disease and pest control

"For an additional amount for 'Salaries and Expenses', for 'plant and animal disease and pest control', \$5 million."

On page 2, after line 7, to insert:

"Agricultural conservation program service

"Emergency Conservation Measures

"For an additional amount for 'Emergency conservation measures', to be used for the same purposes and subject to the same conditions as the funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, \$25 million."

On page 2, line 15, to change the chapter number from "I" to "II."

On page 3, after line 3, to insert:

"Coast and Geodetic Survey

"Construction of a Surveying Ship

"For an additional amount for 'Construction of a surveying ship', \$3,456,000, to remain available until expended."

On page 3, after line 7, to insert:

"Bureau of Public Roads
"Public Lands Highways

"Liquidation of contract authorization

"For payment of obligations incurred pursuant to the contract authorization granted by section 6 of the Federal-aid Highway Act of 1954 (68 Stat. 73) and section 106 of the Federal-Aid Highway Act of 1956 (70 Stat. 376), to remain available until expended, \$1,533,000, which sum is composed of \$225,000, the balance of the amount authorized to be appropriated for the fiscal year 1957, and \$1,308,000, a part of the amount authorized to be appropriated for the fiscal year 1958."

On page 3, after line 19, to insert:

"Weather Bureau

"Salaries and Expenses

"For an additional amount for 'Salaries and expenses', \$372,100."

At the top of page 4, to insert:

"THE PANAMA CANAL

"Panama Canal Company

"Panama Canal Bridge

"For expenses necessary for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, Canal Zone, as authorized by the act of July 23, 1956 (70 Stat. 596), \$1,000,000, to remain available until expended."

On page 4, after line 8, to insert:

"INDEPENDENT AGENCIES

"Advisory Committee on Weather Control
"To complete its final report to the President and the Congress as provided by law, \$175,000: *Provided, however,* That the Committee shall complete its report and terminate its activities by December 31, 1957, and turn its records over to the National Science Foundation, together with any unexpended balances."

On page 4, after line 16, to insert:

"Small Business Administration

"Salaries and Expenses

"For necessary expenses, not otherwise provided for, of the Small Business Administration, including expenses of attendance at meetings concerned with the purposes of this appropriation and hire of passenger motor vehicles, \$2,570,000; and in addition there may be transferred to this appropriation not to exceed \$8,590,000 from the revolving fund, Small Business Administration, and not to exceed \$490,000 from the fund for liquidation of Reconstruction Finance Corporation disaster loans, Small Business Administration, for administrative expenses in connection with activities financed under said funds: *Provided,* That the amount authorized for transfer from the revolving fund, Small Business Administration, may be increased, with the approval of the Bureau of the Budget, by such amount as may be required to finance administrative expenses incurred in the making of disaster loans: *Provided further,* That 10 percent of the amount authorized to be transferred from the revolving fund, Small Business Administration, shall be placed in reserve to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may become necessary to carry out the business loan program."

On page 5, after line 18, to insert:

"Revolving Fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitations, \$100,000,000."

On page 6, line 1, to change the chapter number from "II" to "III."

Under the heading "Department of Defense—Military Functions—Department of the Army—Military Construction, Army" on page 7, line 11, after the word "expended", to strike out "\$305,000,000" and insert "\$315,000,000."

Under the subhead "Military Construction—Army Reserve Forces", on page 7, line 23, after the word "vehicles" to strike out "\$46,000,000" and insert "\$55,000,000."

Under the subhead "Department of the Navy—Military Construction, Navy", on page 8, line 17, to strike out "\$265,000,000" and insert "\$300,000,000."

Under the subhead "Department of the Air Force—Military Construction, Air Force", on page 9, line 10, after the word "expended", to strike out "\$900,000,000" and insert "\$950,000,000."

Under the subhead "General Provisions", on page 9, line 12, to change the section number from "201" to "301."

On page 9, line 17, to change the section number from "202" to "302."

On page 9, line 23, to change the section number from "203" to "303."

On page 10, line 8, to change the section number from "204" to "304."

On page 10, line 16, to change the section number from "205" to "305."

On page 10, line 22, to change the section number from "206" to "306."

On page 11, line 5, to change the section number from "207" to "307."

On page 11, line 13, to change the section number from "208" to "308."

On page 11, line 21, to change the section number from "209" to "309."

On page 12, line 3, to change the section number from "210" to "310."

On page 12, line 11, to change the section number from "211" to "311."

On page 12, after line 13, to insert a new section, as follows:

"Sec. 312. The Secretary of Defense is hereby authorized to transfer to the 'Air Force industrial fund' not to exceed \$100 million from appropriations to the Department of Defense available for obligation during the fiscal year 1953."

On page 12, after line 18, to insert a new section, as follows:

"Sec. 313. Section 612 of the Department of Defense Appropriation Act of 1958, Public Law 117, approved August 2, 1957, is amended by deleting the figures '\$41,000,000' in the first line and inserting in lieu thereof '\$45,000,000'."

On page 12, after line 23, to insert a new section, as follows:

"Sec. 314. The General Counsel of the Department of Defense shall be paid at the rate prescribed by Reorganization Plan No. 6 approved June 30, 1953 (67 Stat. 638)."

On page 13, line 3, to change the chapter number from "III" to "IV."

Under the heading "Department of Defense—Civil Functions—Department of the Army—Administration, Ryukyu Islands", on page 13, line 25, after the word "appropriation", to strike out "\$2,410,000" and insert "\$2,475,000", and on page 14, line 1, after the word "exceed", to strike out "\$1,340,000" and insert "\$1,405,000."

On page 15, after line 18, to insert:

"Construction of Power Systems, Ryukyu Islands

"For necessary expenses of construction, installation, and equipment of electric power systems in the Ryukyu Islands, which shall be operated by the Ryukyu Electric Power Corporation, an instrumentality of the United States Civil Administration of the Ryukyu Islands; services as authorized by section 15 of the act of August 2, 1916 (5 U. S. C. 55a), at rates not in excess of \$50 a day for individuals; hire of passenger motor vehicles and hire of aircraft; \$1,513,000 to remain available until expended, without regard to sections 355 and 3734 of the Revised Statutes, as amended, and title 10, United States Code, section 4774."

On page 17, line 13, to change the chapter number from "IV" to "V."

Under the heading "Independent Offices—General Services Administration", on page 17, after line 21, to insert:

"Hospital Facilities in the District of Columbia

"For an additional amount for expenses necessary in carrying out the provisions of the act of August 7, 1946 (60 Stat. 896), as amended, authorizing the establishment of a hospital center in the District of Columbia, including grants to private agencies for hospital facilities in said District, \$290,000, to remain available until expended: *Provided,* That the limitation under this head in the act of July 15, 1952 (66 Stat. 644), as amended, on the total amount to be provided for completion of grant projects, is increased from \$13,010,000 to \$13,300,000."

On page 18, line 20, to change the chapter number from "V" to "VI."

Under the heading "Department of the Interior", on page 18, after line 21, to insert:

"Bureau of Land Management
"Construction

"Not to exceed \$1,423 of the funds available to the Bureau of Land Management from definite annual appropriations shall be available for reimbursing the city of Monticello, Utah, for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Bureau of Land Management."

Under the subhead "Bureau of Indian Affairs—Resources Management", on page 19, line 10, after the word "exceed" to strike out "\$118,000" and insert "\$169,000", and in line 12, after the word "basis", to insert a colon and the following proviso:

"*Provided,* That the Secretary of the Interior is authorized to expend income received from leases on lands on the Colorado River Indian Reservation (southern and northern reserves) for the benefit of the Colorado River Indian Tribes and their members during the current fiscal year, or until beneficial ownership of the lands has been determined if such determination is made during the current fiscal year."

Under the subhead "Commission for a National Cultural Center—Salaries and Expenses", on page 20, at the beginning of line 6, to strike out "The" and insert "Not to exceed 12,000 of the."

On page 20, after line 14, to insert:

"DEPARTMENT OF AGRICULTURE
"Forest Service

"Forest Land Management: During the current fiscal year not to exceed \$50,000 of the funds appropriated under this heading shall be available for the acquisition of sites authorized by the act of March 3, 1925, as amended (16 U. S. C. 555), without regard to any other limitation on the amount available for this purpose."

At the top of page 21, to insert:

"CHAPTER VII

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"Public Health Service
"Communicable Diseases

"Communicable diseases: For an additional amount for 'Communicable diseases', for emergency measures necessary for the further prevention and control of a threatened or actual epidemic of influenza, \$800,000: *Provided,* That \$2 million may be transferred from funds appropriated for disaster relief pursuant to the act of September 30, 1950, chapter 1125, section 8 (64 Stat. 1109), for the purposes specified in this paragraph, including the purchase, without regard to section 3709 of the revised statutes, and distribution of supplies and materials for prevention and control and grants to States of money and medical supplies and materials, upon a finding by the Secretary of Health, Education, and Welfare, upon the

Public Law 85-183
85th Congress, S. 1799
August 28, 1957

AN ACT

71 Stat. 464.

To facilitate the payment of Government checks, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of July 11, 1947 (61 Stat. 308; 31 U. S. C. 132) is hereby amended to read as follows:

Government
checks.
Payment.

"That (a) all checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

Consolidated
account.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the Act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries."

SEC. 2. Section 3 of the Act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134) is hereby amended to read as follows:

"SEC. 3. The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the Act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this Act: *Provided*, That in the case of checks issued by the Disbursing Officers of the District of Columbia and the Disbursing Officer of the Corps of Engineers in reference to the disbursement of District funds, the Secretary of the Treasury is authorized to transfer, at appropriate intervals, from the accounts available for the payment of such unpaid checks, to the general revenues of the District of Columbia, any amounts not required for the payment of such checks: *Provided further*, That as to such checks issued on or before June 30, 1955, transfers to the general revenues of the District of Columbia shall be limited to the amount of undelivered checks."

Transfer of
funds.

D.C. funds.

71 Stat. 465.

Claims.
Statute of
limitations.

SEC. 3. (a) Section 2 of the Act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122), is hereby amended to read as follows:

"SEC. 2. Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within six years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within six years after the date of issuance of such checks."

(b) Section 1 of the Act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129) is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States".

61 Stat. 309. SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)), is hereby amended to read as follows:

Substitute
checks. "(a) Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

61 Stat. 310. SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of ten years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal year next following the fiscal year in which the check was issued".

61 Stat. 310. (b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of ten years from the date on which the original check was issued".

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

August 28, 1957

- 3 -

Pub. Law 85-183

71 Stat. 465.

"(f) Substitutes issued under this section drawn on the Treasurer Payment.
of the United States shall be deemed to be original checks and pay-
able under the same conditions as original checks."

SEC. 6. Section 2 of the Act of July 11, 1947 (61 Stat. 309; 31 Repeals.
U. S. C. 133), and section 5 of the Act of July 1, 1916, as amended
(61 Stat. 309; 31 U. S. C. 154), are hereby repealed.

Approved August 28, 1957..

